



KAWERAU DISTRICT COUNCIL

Te Kaunihera ā rohe o Kawerau

TAONGA O TE WHENUA - TREASURE OF THE LAND

**The Extraordinary Meeting of the
Kawerau District Council will be held
on Wednesday 15 April 2026
in the Council Chambers
commencing at 11.00am**

AGENDA

GUIDELINES FOR PUBLIC FORUM AT MEETINGS

1. A period of thirty minutes is set aside for a public forum at the start of each Ordinary Council or Standing Committee meeting, which is open to the public. This period may be extended on by a vote by members.
2. Speakers may address meetings on any subject. However, issues raised must not include those subject to legal consideration, or be issues, which are confidential, personal, or the subject of a formal hearing.
3. Each speaker during the public forum is permitted to speak for a maximum of three minutes. However, the Chairperson has the discretion to extend the speaking time.
4. Standing Orders are suspended for the duration of the public forum.
5. Council and Committees, at the conclusion of the public forum, may decide to take appropriate action on any of the issues raised.
6. With the permission of the Chairperson, members may ask questions of speakers during the period reserved for public forum. Questions by members are to be confined to obtaining information or clarification on matters raised by the speaker.

**The Extraordinary Meeting of the Kawerau District Council
will be held on Wednesday 15 April 2026
in the Council Chambers commencing at 11.00am**

A G E N D A

1 Karakia Timatanga | Opening Prayer

2 Apologies

3 Leave of Absence

4 Declarations of Conflict of Interest

Any member having a “conflict of interest” with an item on the Agenda should declare it, and when that item is being considered, abstain from any discussion or voting. The member may wish to remove themselves from the meeting while the item is being considered.

5 Meeting Notices

6 Nga Mihimihi | Acknowledgements

7 Public Forum

8 Adoption of Annual Plan Consultation Document 2026/27 (Group Manager, Finance and Corporate Services) (110400)

Pgs. 1 - 13

Attached is a report from the Group Manager, Finance and Corporate Services covering the Adoption of Annual Plan Consultation Document 2026/27.

Recommendations

1. *That the report “Adoption of Annual Plan Consultation Document 2026/27” be received; and*
2. *That Council adopt the draft 2026/27 estimates and the proposed rates for the Consultation Document; and*
3. *That Council adopts the Consultation Document for the Annual Plan 2026/27, as presented and with any amendments as appropriate, for commencement of the special consultative procedure from 17 April 2026, with submissions closing at 5.00 p.m. on Monday 18 May 2026.*

9 Karakia Whakamutunga | Closing Prayer

M Godfery

Chief Executive Officer

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Meeting: Extraordinary Council

Meeting Date: 15 April 2026

Subject: Adoption of Annual Plan Consultation Document 2026/27

File No.: 110400

1 **Purpose**

The purpose of this report is to present to Council for adoption the Annual Plan Consultation Document 2026/27, which will then be submitted for public consultation.

2 **Background**

Council is required to produce and adopt a Long Term Plan every three years, and an Annual Plan is required for the years in-between. Council adopted a nine year Long Term Plan from 2025 – 2034, in June 2025. The next Long Term Plan is due next year being 2027 to 2037.

Key decisions made in the Long Term Plan 2025 - 2034 following consultation with the community were for the increased funding of depreciation to be over 12 years at 3% each year and that Council would gradually transition the increase in the uniform charges for water and wastewater over 9 years. The proposed Annual Plan 2026/27 has been prepared on the basis of these key decisions.

Council requires a set amount of rates funding each financial year to deliver services to the community. What drives rates increases is any increase in expenditure to deliver the services, if there are no other funding sources to meet the increased costs or if there is a reduction in non-rates revenue.

The preparations for the 2026/27 budget began in October 2025, with the initial budget framework being based on year two of the Long Term Plan 2025 – 2034, plus amendments for increased known expenditure. From this starting point the budgets went through a number of reviews by the Senior Leadership Team and Finance team. The initial budget was proposing a rates increase of 8.6% for 2026/27, however, further reviews were undertaken, in order to make savings across Council's activities to reduce the rates increase. Savings were identified for personnel costs, sundry expenses, depreciation, and other activities resulting in the proposed rates increase of 5.8% for 2026/27. Appendix 4 attached details where budget adjustments were made, between the initial budget and the proposed budget for inclusion in the Annual Plan.

3 **Annual Plan 2026/27 Consultation Document**

At the Council meeting on 25 March 2026, Council adopted the draft budget 2026/27 and proposed rates increase of 5.8% for inclusion in the preparation of the Annual Plan Consultation Document for 2026/27.

Council has considered that with the impact of the increases in the targeted uniform charges for water and wastewater, that the considerations for consultation should be either keeping the Uniform Annual General Charge (UAGC) the same at \$900 or reducing the UAGC to \$850. These two options are to be included in the Annual Plan Consultation Document to be consulted on with the community.

3.1 Proposed Rates 2026/27

The overall proposed rate increase is shown in the following table:

Rates	2025/26	2026/27	Increase	
	\$	\$	\$	%
General Rates	14,083,990	14,714,760	630,770	4.5%
Targeted Rates:				
Water Supply	421,720	529,500	107,780	25.6%
Wastewater	555,080	699,420	144,340	26.0%
Refuse Collection	750,410	775,430	25,020	3.3%
Total Rates	\$15,811,200	\$16,719,110	\$907,910	5.8%

The draft budget for the Annual Plan 2026/27 is as follows, with comparisons to the 2025/26 Annual Plan (LTP year 1):

	Annual Plan (LTP year 1)	Proposed Annual Plan	Movement \$	%
	2025/26	2026/27		
Revenue				
Total Rates	15,811,200	16,719,110	907,910	5.8%
Grants & Subsidies	3,473,480	2,020,400	(1,453,080)	(41.8%)
Interest Revenue	85,500	34,430	(51,070)	(59.7%)
Fees and Charges	2,275,830	2,287,740	11,910	0.5%
Other Revenue	1,462,970	3,294,980	1,832,010	125%
Total Revenue	23,108,980	24,356,660	1,247,680	5.6%
Expenditure				
Personnel costs	7,792,040	8,095,760	303,720	3.9%
Depreciation	4,634,610	5,168,630	534,020	11.5%
Finance	460,500	499,010	38,510	8.4%
Other Expenses	9,032,370	11,609,230	2,576,860	28.5%
Total Expenditure	21,919,520	25,372,630	3,453,110	15.8%
Net Surplus (Deficit) (\$)	1,189,460	(1,015,970)		
Rate Increase (%)	8.5%	5.8%		
Capital Budget	6,394,020	7,811,890		

The operational surplus in 2025/26 was mainly due to the projected Government grants to be received to fund the Stoneham Park Residential Development.

Council would normally expect to have an operating deficit, as Council does not fully fund depreciation. The projected deficit for 2026/27 is \$1.015m (the actual operating deficit for 2024/25 was \$1.75m due to Council not fully funding depreciation).

The reasons for the significant changes in the proposed budgets above when compared to the previous year are as follows:

- The majority of the Government Grants for 2026/27 relate to the Stoneham Park Residential Development Better-off Government grant. The Government's Grants included for the Stoneham Park Residential Development are per the Long Term Plan 2025-2034. Better-off funding grants budgeted for 2025/26 were higher, based on project timelines forecasted at the time of the LTP preparations. The Better-off Grants funding will be updated prior to the adoption of the final Annual Plan, to reflect the revised project timeframes that are currently being reviewed. This Grants funding does not impact the rates requirement however it does impact the overall operating deficit and cashflows for 2026/27.
- For Other Revenue the majority of this relates to section sales for Stoneham Park Residential Development. Like Government Grants, this budget will be reviewed to align with the project timeline once key dates are confirmed. While this does not impact the rates requirement, it does impact the overall operating deficit and cashflows for 2026/27.
- Interest income is projected to be less, as the interest rate received on Council's investments has dropped to 1.5%.
- Personnel costs have increased \$303,720 compared to 2025/26, which is due to anticipated cost increases for salaries and wages and the Government mandated increase in KiwiSaver contributions from 3% to 3.5% for employer contributions.
- Depreciation expenditure for 2026/27 has increased \$534,030 (11.5%) compared to last year. Council's assets are required to be revalued every three years and the result of the revaluation to 30 June 2025, was a \$29.9m increase in Council's assets. The increase in Council's asset values is increasing the budgeted depreciation expense for 2026/27. The impact on rates is \$332,460 of additional rates funding is required to fund depreciation, (2.1% of the 5.8% rates increase is attributed to funding depreciation).
- Finance Costs have increased by \$38,510 due to the interest expense on loans uplifted to fund the water reticulation renewals. Council will borrow a further \$2.7m in 2026/27 to fund the next stage of the water reticulation renewals, increasing the total water loans to \$10.7m by 30 June 2027. With the current lower loan interest rates, the debt servicing costs are projected to be within the finance costs forecasted in the Long Term Plan 2025-2034.
- Other expenses includes all other operational costs for a wide range of expenses across all Council activities. A significant part of the increase in expenditure is for Stoneham Park Residential Development (additional \$2.3m), which is offset by Government Grants and other income section sales (not rates funded). Like the Government Grants and Other Income, the expenditure to be incurred for Stoneham Park will be updated prior to the adoption of the final Annual Plan, to reflect the revised project timeframes that are currently being reviewed.

Other expenses impacting the rates requirement are increased costs for:

Other Expenses	Amount
• Audit Fee for Long Term Plan 2027 - 2037	\$106,590
• RAMM Review	\$40,000
• Refuse disposal fees	\$36,000
• Roding increased cleaning costs	\$30,000
• Local Water Done Well (& Commerce Commission)	\$28,000
• Water Testing	\$20,000

3.2 Capital Expenditure

Capital expenditure for 2026/27 is \$7,811,890 (was \$6,394,020 for 2025/26). Appendix 1 has a summary of the Capital Projects planned for 2026/27.

3.3 Rates Impact

While the overall budgeted rates increase is 5.8%, individual properties will have rate increases different to this, as the average increase will vary depending on the value of individual properties.

The Uniform Annual General Charge (UAGC) is a minimum charge per property. Council recognises that with the increase in the targeted rates for water and wastewater this does have a higher rates impact on lower valued properties. To smooth the impact of the rates increase and increase targeted rates, Council is proposing two options for the community to provide feedback on. The options are to either keep the Uniform Annual General Charge (UAGC) at \$900 or decrease the UAGC to \$850.

Appendix 2 attached provides example properties of the rates impact for 2026/27, with the options of the UAGC at \$900 or decreased to \$850.

3.4 Rates increase in comparison to Year 2 of the LTP

The following table illustrates the movements between the Long Term Plan Year 2 (2026/27) and the Proposed Annual Plan Budget 2026/27, with explanations for the changes:

	Long Term Plan "Year 2" 2026/27	Proposed Annual Plan 2026/27	Movement \$	%
Revenue				
Total Rates (i)	16,228,060	16,719,110	491,050	3.0
Grants & Subsidies (ii)	1,246,110	2,020,400	774,290	62.1
Interest Revenue (iii)	87,410	34,430	(52,980)	(60.6)
Fees and Charges	2,287,110	2,287,740	630	0
Other Revenue	3,294,980	3,294,980	0	0
Total Revenue	23,143,670	24,356,660	1,212,990	5.4
	Long Term Plan "Year 2" 2026/27	Proposed Annual Plan 2026/27	Movement \$	%

	Long Term Plan "Year 2" 2026/27	Proposed Annual Plan 2026/27	Movement \$	%
Expenditure				
Personnel costs	8,051,160	8,095,760	44,600	0.5
Depreciation (iv)	4,708,210	5,168,630	460,420	9.8
Finance	499,000	499,010	10	0
Other Expenses (v)	11,311,000	11,609,230	298,230	3.0
Total Expenditure	24,569,370	25,372,630	803,260	3.4
Net Surplus (Deficit) (\$)	(1,425,700)	(1,015,970)		
Rate Increase (%)	2.6%	5.8%		

Further explanations of activity movements above:

- (i) Rates Revenue has increased to fund the additional expenditure requirements as detailed below.
- (ii) Grants and Subsidies have increased due to Waka Kotahi approving additional funding for Roding Drainage Projects, which increases Roding Subsidies to be received by \$724k.
- (iii) Interest Revenue was forecasted at an interest rate of 2.6% at the time of the LTP preparation, however the actual interest rates on investments has decreased to 1.5% for the 2025/26.
- (iv) Depreciation has increased due to the revaluation of Council's assets as at 30 June 2025. The LTP had forecast the increase in asset value at \$16.6m, however the actual increase was \$29.9m. This increase in asset value therefore increases the level of depreciation expenditure for 2026/27.
- (v) Other Expenses has increased compared to the LTP due to funding additional water services compliance costs, roading RAMM project and higher than forecast costs for refuse disposal.

For further analysis of the Proposed Annual Plan 2026/27 attached in Appendix 3 are the Revenue and Expenditure amounts for each Group of Activities, with comparisons to 2025/26 and explanations for movements.

3.5 Annual Plan Consultation Document and Engagement Plan

For the Annual Plan Consultation Document 2026/27, Council will have a cost effective A3 folded DLE brochure detailing all the key Annual Plan information which will be delivered to every household and available for public meetings, as well as being on Council's website. The Annual Plan submission form will be available via the Council's Newsletter | Pānui and hard copies available on Council's website and in the council office, library and isite.

As the Annual Plan Consultation Documents (Comprehensive and Summary) are currently with the designer for finalisation of the consultation documents, the final documents will be presented at the Council meeting.

Proposed Annual Plan 2026/27 Community Engagement Meetings:

Monday 13 April, 1pm to 2pm Public Meeting KADAP, Concert Chamber
 Wednesday 22 April, 11am to 12 noon Public Meeting, Rautahi Marae

Tuesday 28 April, 11am to 12 noon	Public Drop-In session, Rangī Delamere Centre
Thursday 30 April 10am to 12 noon	Public Drop-In session, Kawerau Community Markets
Wednesday 6 May, 5.15pm to 6.15pm	Public Meeting, Concert Chamber
Friday 8 May, 2pm to 3pm	Grey Power Kawerau, Concert Chamber

The following is the timeframe for the special consultative process and adoption of the Annual Plan 2026/27:

- 15 April 2026 - Adoption of Annual Plan Consultation Document 2026/27
- 17 April 2026 to 18 May 2026 – Community Consultation period
- 3 June 2026 - Hearing, consideration and deliberation of submissions
- 24 June 2026 - Adoption of Annual Plan 2026/27 and setting of rates

3 Options for Consideration

Council has three options in relation to the draft Consultation Document (CD), as outlined below:

Option One: Consult on the draft CD as presented

Council may be satisfied that the document as drafted meets the requirements for an annual plan CD and adequately reflects the proposals for the coming financial year.

Option Two: Consult on an amended CD

Council may wish to adopt the draft Consultation Document subject to some amendment(s).

Option Three: Do not Consult

Council is only required to consult on a proposed Annual Plan if it contains significant or material differences from the corresponding year in the Long Term Plan.

Council has in the past continued to consult with the community on each Annual Plan even if there is no legal requirement and/or any significant change from the Long Term Plan. Council could opt to not consult with the community.

4 Significance and Engagement

Staff propose a consultation period from 17 April to 18 May 2026 with specific consultation initiatives including:

- Delivering the A3 Summary DLE CD to homes via a letterbox drop.
- A DLE sized notice will be delivered with the April rates instalment notices.
- Consultation Document available on Council website.
- Annual Plan articles in the Council Newsletter | Pānui.
- Advert in the Echo regarding upcoming hui
- Undertaking community engagement meetings during consultation period.

- To hear, consider and deliberate on submissions at the Extraordinary Council meeting on 3 June 2026
- Adopt Annual Plan 2026/27 and Rates Resolution – 24 June 2026.

5 Financial Considerations

Development of the Kawerau District Council Annual Plan 2026/27, including the process of the special consultation procedure, can be met within existing estimates.

6 Legal Considerations

Under section 95A of the Local Government Act 2002, Council is not required to use the special consultative procedure for the development of this Annual Plan 2026/27. However, it is considered good practice for Council to engage with the community in its decision making for the activities and costs for the 2026/27 financial year.

7 Conclusion

It is appropriate that Council now considers the draft Annual Plan Consultation Document 2026/27, makes any further amendments it considers necessary and adopts the document to commence the special consultation process.

8 RECOMMENDATIONS

1. That the report “Adoption of Annual Plan Consultation Document 2026/27” be received; and
2. That Council adopt the draft 2026/27 estimates and the proposed rates for the Consultation Document; and
3. That Council adopts the Consultation Document for the Annual Plan 2026/27, as presented and with any amendments as appropriate, for commencement of the special consultative procedure from 17 April 2026, with submissions closing at 5.00 p.m. on Monday 18 May 2026.



Lee-Anne Butler, CA, BMS

Group Manager Finance & Corporate Services

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Appendix 1 - Capital Expenditure

The following table lists the capital expenditure items for 2026/27.

Activity	Asset	2026/27
Economic Development	Firmin Lodge & isite	\$12,560
	Stoneham Park Development - Infrastructure	\$602,850
Roading	Kerb Replacement	\$86,530
	Street Light Upgrade	\$41,270
	Reseals	\$139,130
	Pavement Treatment	\$78,050
	Footpath Repairs	\$59,160
	Roading Drainage	\$965,400
	Stormwater Catch-pit renewal	\$61,080
	Reseal Carparks & Islington Parking	\$102,000
	Rubbish bins / seating /music system / Xmas Lights / Signs / CCTV / town centre lights	\$33,030
	Total Roothing	\$1,565,650
Water Supply	Pipework Renewals	\$2,144,930
	Tobies	\$5,000
	UV Tube Replacement	\$16,410
	UV Plant	\$516,930
	Refurbish Pump	\$17,800
	Data Logger & Extractor Fan	\$14,650
	Chlorine Dosing	\$64,350
	Total Water Supply	\$2,780,070
Wastewater	Wastewater pipework	\$1,157,780
	Pumping Station	\$64,660
	Wastewater Treatment Plant	\$740,630
	Total Wastewater	\$1,963,070
Solid Waste	Retaining Wall, Bund and Drainage	\$60,000
	Fencing and POS System	\$10,720
Leisure & Recreation	Library stock, furniture	\$92,030
	Library Building – Roof and Air Con	\$38,220
	Maurie Kjar Aquatic Centre - Pool Floor/Clubrooms	\$93,600
	- Steam Bore and Heat Exchange Unit	\$45,820
	- Filtration System	\$24,000
	Recreation Centre – Building	\$87,380
	Town Hall speakers & furniture	\$15,130
	Concert Chambers – Building and Air Con	\$22,680
	Rangi Delamere Centre	\$3,800
	Field Amenity Buildings	\$21,080
	Passive Reserves fences, sprinklers, carparks	\$59,920
	Playgrounds renewals	\$4,120
	Total Leisure & Recreation	\$507,780
Overheads	Computers	\$52,850
Plant	Vehicles	\$136,280
Buildings	Depot & District Office	\$120,060
	Total	\$7,811,890

Appendix 2

Option 1 - Rates Impact of a 5.8% rates increase, with UAGC of \$900 – (same UAGC as 2025/26)
 (Rates differential 48% Residential & 52% Commercial)

Residential						
Capital Value	Rates 2025/26	Rates 2026/27	Increase in Rates \$	%	Weekly Cost	Weekly increase \$
305,000	3,040	3,244	204	6.7%	62	4
390,000	3,455	3,686	231	6.7%	71	4
435,000	3,675	3,920	245	6.7%	75	5
520,000	4,090	4,362	272	6.7%	84	5
650,000	4,725	5,038	313	6.7%	97	6
Commercial/Industrial						
Capital Value	Rates 2025/26	Rates 2026/27	Increase in Rates \$	%	Weekly Cost	Weekly increase \$
240,000	8,421	8,914	493	5.8%	171	9
405,000	13,352	14,118	766	5.7%	272	15
1,010,000	31,433	33,202	1,769	5.6%	638	34
11,693,000	350,694	370,176	19,481	5.6%	7,119	375
19,300,000	578,030	609,957	31,927	5.5%	11,730	614
34,750,000	1,039,623	1,097,295	57,672	5.5%	21,102	1,109
46,250,000	1,383,081	1,460,040	76,959	5.6%	28,078	1,480

Option 2 - Rates Impact of a 5.8% rates increase, based on UAGC \$850 (decrease of \$50.00 compared to 2025/26)
 (Rates differential 48% Residential & 52% Commercial)

Residential						
Capital Value	Rates 2025/26	Rates 2026/27	Increase in Rates \$	%	Weekly Cost	Weekly increase \$
305,000	3,040	3,233	193	6.3%	62	4
390,000	3,455	3,686	231	6.7%	71	4
435,000	3,675	3,926	251	6.8%	76	5
520,000	4,090	4,379	289	7.1%	84	6
650,000	4,725	5,072	347	7.3%	98	7
Commercial/Industrial						
Capital Value	Rates 2025/26	Rates 2026/27	Increase in Rates \$	%	Weekly Cost	Weekly increase \$
240,000	8,421	8,871	450	5.3%	171	9
405,000	13,352	14,081	729	5.5%	271	14
1,010,000	31,433	33,182	1,749	5.6%	638	34
11,693,000	350,694	370,477	19,783	5.6%	7,125	380
19,300,000	578,030	610,485	32,455	5.6%	11,740	624
34,750,000	1,039,623	1,098,288	58,665	5.6%	21,121	1,128
46,250,000	1,383,081	1,461,377	78,296	5.7%	28,103	1,506

Appendix 3 – Activity Revenue and Expenditure

The 2026/27 individual activity revenue and expenditure is detailed below, with comparatives for 2025/26:

	Annual Plan (LTP) 2025/26	Annual Plan 2026/27	Movement
Activity Groups:			
Revenue:			
Democracy (1)	28,600	0	(28,600)
Economic Development (2)	4,623,470	4,235,900	(387,570)
Environmental Services	191,400	196,460	5,060
Roading (3)	692,260	1,407,070	714,810
Stormwater	31,500	31,850	350
Water (4)	464,660	585,040	120,380
Wastewater (4)	660,650	810,660	150,010
Solid Waste	2,145,380	2,207,370	61,990
Recreation & Leisure	97,780	100,260	2,480
Sundry & eliminations*	89,280	166,720	77,440
Revenue	9,024,980	9,641,900	616,920
General Rates (5)	14,084,000	14,714,760	630,760
Total Revenue	23,108,980	24,356,660	1,247,680
Expenditure (incl O/H)			
Democracy	1,020,110	1,054,860	34,750
Economic Development (2)	3,104,920	5,577,700	2,472,780
Environmental Services	1,676,690	1,666,410	(10,280)
Roading (5)	2,575,750	2,870,050	294,300
Stormwater	389,550	435,530	45,980
Water (6)	2,569,120	2,818,120	249,000
Wastewater (7)	2,560,380	2,799,440	239,060
Solid Waste (8)	3,964,520	4,128,490	163,970
Recreation & Leisure	5,491,740	5,543,120	51,380
Sundry & eliminations	(1,433,260)	(1,521,090)	(87,830)
Total Expenditure	21,919,520	25,372,630	3,453,110

Explanations of savings made between Initial Budget and Draft Annual Plan are as follows:

- 1) Democracy income in 2025/26 was for the recovery of Election Expenses from the Bay of Plenty Regional Council.
- 2) Economic Development increase in revenue relates to Stoneham Park Residential Development Government Grants and sections sales income. The increase in the Economic Development expenditure also relates to the costs of this development.
- 3) Roothing income has increased as Waka Kotahi has approved additional subsidy funding of \$724k for Roothing Drainage Projects.
- 4) Increased revenue for Water and Wastewater is due to the increases in the targeted rates for the water services activities.
- 5) Roothing expenditure has increased due to higher depreciation expenditure (\$54k), RAMM Review (\$40k) and operational costs.

- 6) Water expenditure has increased due to additional water compliance costs and reallocation of direct water personnel costs, as part of ring-fencing for Local Water Done Well. Depreciation (\$50k) and financing costs (\$38k) have also increased.
- 7) Wastewater expenditure has increased due to additional wastewater compliance costs and reallocation of direct wastewater personnel costs, as part of ring-fencing for Local Water Done Well (\$126k). Depreciation (\$33k) and other operational expenses have also increased.
- 8) Solid Waste expenditure has increased due to refuse disposal costs rising (\$36k), personnel costs (\$36k), Rates (18k) and major maintenance (\$10k).

Appendix 4

The Comparatives and movements between Initial Budget and Proposed Annual Plan Budget:

	Initial Annual Plan Budget 2026/27	Draft Annual Plan 2026/27	Movement \$
Revenue			
Total Rates (a)	17,169,690	16,719,110	(450,580)
Grants & Subsidies (b)	1,446,900	2,020,400	573,500
Interest Revenue	34,430	34,430	0
Fees and Charges	2,287,740	2,287,740	0
Other Revenue	3,294,980	3,294,980	0
Total Revenue	24,233,740	24,356,660	122,920
Expenditure			
Personnel costs (c)	8,339,110	8,095,760	(243,350)
Depreciation (d)	5,232,150	5,168,630	(63,520)
Finance	499,010	499,010	0
Other Expenses (e)	11,851,130	11,609,230	(241,900)
Total Expenditure	25,921,400	25,372,630	(548,770)
Net Surplus (Deficit) (\$)	(1,687,660)	(1,015,970)	671,690
Rate Increase (%)	8.6%	5.8%	2.8%

Explanations of savings made between Initial Budget and Draft Annual Plan are as follows:

- a) Rates Revenue has decreased due to reduction in expenditure as detailed below.
- b) Grants and Subsidies – Waka Kotahi have approved additional funding for Roothing Drainage Project, which increases Roothing Subsidies to be received by \$724k which was not anticipated in the initial budget.
- c) Personnel Costs were reviewed in detail to find savings.
- d) Depreciation forecast was reviewed with slight reductions estimated, following large increase due to new asset values.
- e) Other Expenses a reduction across the board for all Sundry Expenditure was applied, to work within the 2025/26 budget.