

# Cashflow Modelling



	<u>Cost increase projected forward with 1 year loan repaid over 5 years</u>							
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
<b>Total Income</b>	21,985	22,928	24,562	25,706	27,116	27,721	28,057	28,824
<b>Total Operating Costs</b>	23,698	23,925	24,307	24,884	25,278	25,674	26,165	26,514
<b>Operating Surplus/(Deficit)</b>	(1,713)	(996)	255	823	1,838	2,047	1,892	2,311
Cashflow from Loan funds	(1,500)							
Accumulated effect on cashflow	(213)	(1,209)	(954)	(131)	1,707	3,754	5,646	7,956
<b>Total rates</b>	<b>15,628,000</b>	<b>16,469,000</b>	<b>17,886,000</b>	<b>18,838,000</b>	<b>19,966,000</b>	<b>20,327,000</b>	<b>20,430,000</b>	<b>20,924,000</b>
Urban	3371	3409	3448	3487	3526	3566	3606	3647
Rural	3177	3187	3197	3207	3217	3227	3237	3247
<b>Total Rateable Units</b>	<b>6548</b>	<b>6596</b>	<b>6645</b>	<b>6694</b>	<b>6743</b>	<b>6793</b>	<b>6843</b>	<b>6894</b>
Rates per Unit	\$ 2,387	\$ 2,497	\$ 2,692	\$ 2,814	\$ 2,961	\$ 2,992	\$ 2,986	\$ 3,035
Y-o-Y % change in rates per unit		4.6%	7.8%	4.6%	5.2%	1.1%	-0.2%	1.7%
Loan component		1.50%	1.50%	1.50%	1.50%	1.50%		
Loan adjusted increase		3.11%	6.30%	3.05%	3.72%	-0.44%	-0.23%	1.66%
<b>Long Term Plan</b>	<b>4.36%</b>	<b>2.23%</b>	<b>1.07%</b>	<b>1.27%</b>	<b>0.80%</b>	<b>1.18%</b>	<b>0.63%</b>	<b>1.19%</b>



	<u>Cost increase projected forward funded from cashflow</u>							
	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
<b>Total Income</b>	21,655	22,598	24,482	25,876	26,786	27,721	29,057	30,024
<b>Total Operating Costs</b>	23,698	23,925	24,307	24,884	25,278	25,674	26,165	26,514
<b>Operating Surplus/(Deficit)</b>	(2,043)	(1,326)	175	993	1,508	2,047	2,892	3,511
Accumulated effect on cashflow	(2,043)	(3,369)	(3,194)	(2,201)	(693)	1,354	4,246	7,756
<b>Total rates</b>	<b>15,298,000</b>	<b>16,139,000</b>	<b>17,806,000</b>	<b>19,008,000</b>	<b>19,636,000</b>	<b>20,327,000</b>	<b>21,430,000</b>	<b>22,124,000</b>
Urban	3371	3409	3448	3487	3526	3566	3606	3647
Rural	3177	3187	3197	3207	3217	3227	3237	3247
<b>Total Rateable Units</b>	<b>6548</b>	<b>6596</b>	<b>6645</b>	<b>6694</b>	<b>6743</b>	<b>6793</b>	<b>6843</b>	<b>6894</b>
Rates per Unit	\$ 2,336	\$ 2,447	\$ 2,680	\$ 2,840	\$ 2,912	\$ 2,992	\$ 3,132	\$ 3,209
Y-o-Y % change in rates per unit	4.33%	4.73%	9.52%	5.97%	2.55%	2.76%	4.66%	2.47%
<b>Long Term Plan</b>	<b>4.36%</b>	<b>2.23%</b>	<b>1.07%</b>	<b>1.27%</b>	<b>0.80%</b>	<b>1.18%</b>	<b>0.63%</b>	<b>1.19%</b>



**Costs included in the draft 2020-21 Annual Plan**

<u>Water Supply</u>	<b>5.57%</b>	<b>\$813K</b>
	WWL opex \$543K	MTB New Water Source Study
		Pirinoa Option Study
		Waiohine Decommission ultra-filtration
		ID Integration of Sampling Programme
		Boar Bush Investigation
		Boar Bush Dam Safety
		Additional Water Sampling
		WWL management fee and increased resourcing
	Depreciation \$315K	Proposed increased CAPEX programme
	Capex \$3m	Additional requirement identified:
		Cyclical renewals - increased requirement
		Memorial Park Stage 3
		Waiohine Treated water storage
		Waiohine PH dosing system upgrade
		Waiohine chlorine safety improvements
		Boar Bush investigation
		Boar Bush Dam safety
		Water modelling
		Control System Upgrades
		Waiohine Site Security
		MBA Res Auto Chlorination
		Water Race Consents
<u>Wastewater</u>	<b>0.18%</b>	<b>\$26K</b>
		WWL management fee and increased resourcing
	Capex - \$1m	Additional requirement identified:
		Reticulation renewals
		Upgrade Pinot Grove
		Donald Street Pump Station
		Treatment plants - critical infrastructure

**Costs included in the draft 2020-21 Annual Plan**

<u>Roading</u>	Opex	\$975K
		No increase in rates:
		Increased Maintenance \$600k - offset by NZTA Subsidy and Reserves
		Footpath maintenance \$375K - Offset by Infrastructure Reserve
<u>Building Capability</u>	<b>5.47%</b>	<b>\$800K</b>
	Staffing \$715K	<b>Proposed:</b>
		1.0 Communications Officer
		0.5 Policy Officer
		1.0 Regulatory - Policy Planner
		1.0 Compliance - EHO Officer
		Internal Relativities
		Committed Roles:
		1.0 Policy and Governance Manager
		0.5 Corporate Services Manager
		0.75 Library Manager
		1.0 Bylaws Officer
	Other - \$100K	Council Mark \$30K
		Software licences (Data Management System) \$20K
		Contingency \$50K
<u>Amenities</u>	<b>0.34%</b> Opex - \$50k	Tree maintenance
		Building maintenance
<u>Housing for Seniors</u>	<b>0.41%</b>	
	Opex- \$60k	Repairs and Maintanance
		Reducing negative reserve
	Capex - \$80k	Additional requirement identified:
		Insulation, Heat pumps, Kitchen extractor fans
<u>Swimming Pools</u>	<b>0.15%</b> Opex \$22K	Loss of income