



3 Waters Funding

Mayoral Taskforce Briefing

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Me Heke Ki Pōneke

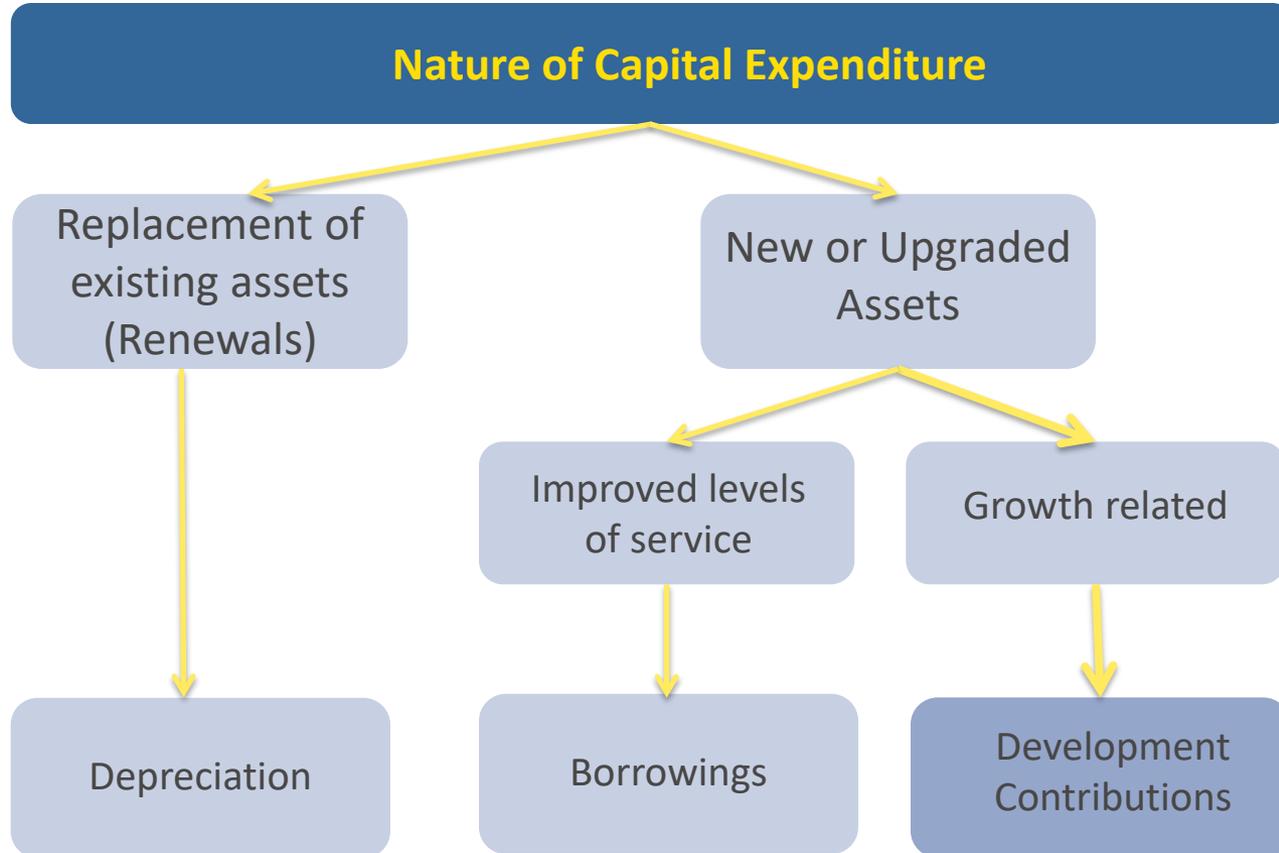


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1. Funding Capital Expenditure



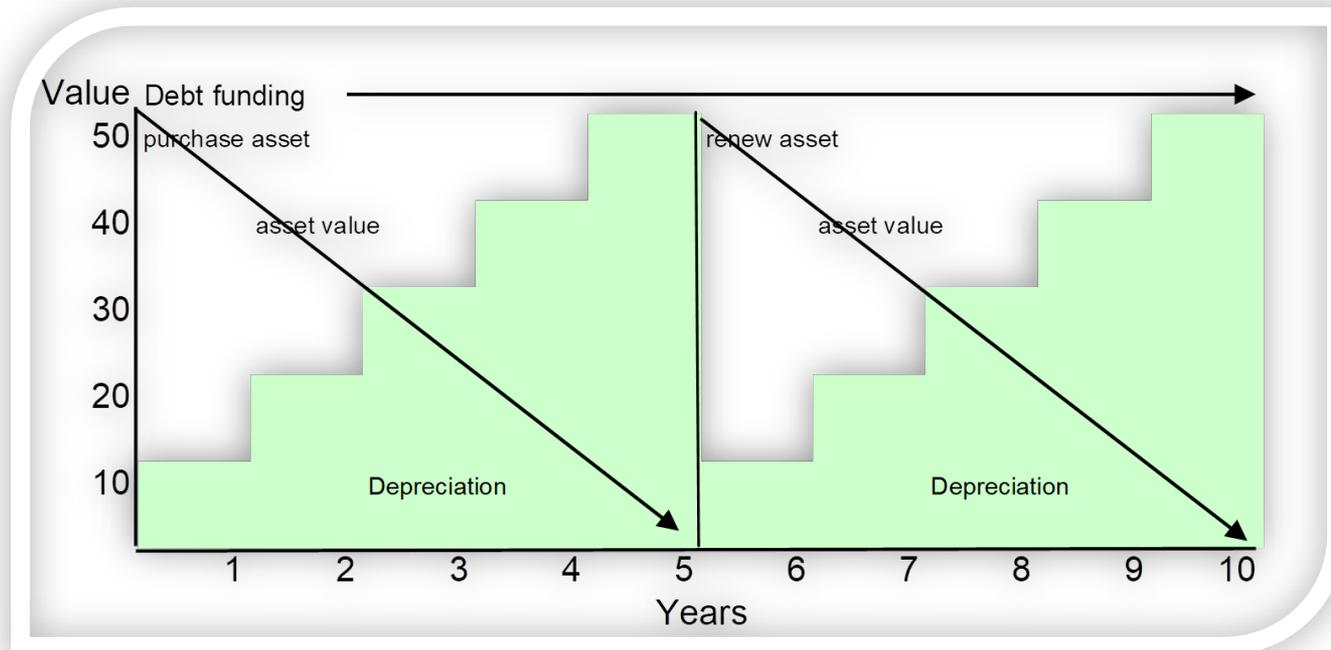


2. Depreciation and Revaluations

Borrow to fund new assets. Fund depreciation to pay for renewals

By funding depreciation, ratepayers pay for their share of the asset as it is used up

By the end of the asset's life, it has been fully funded and the cycle starts again

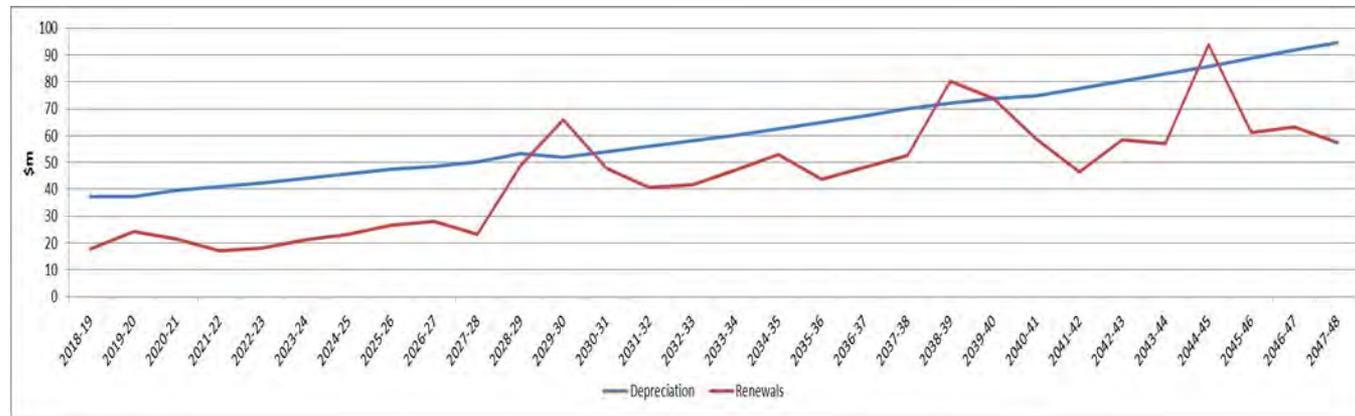




3. Long Term Depreciation Funding

LTP Fin Strategy graph

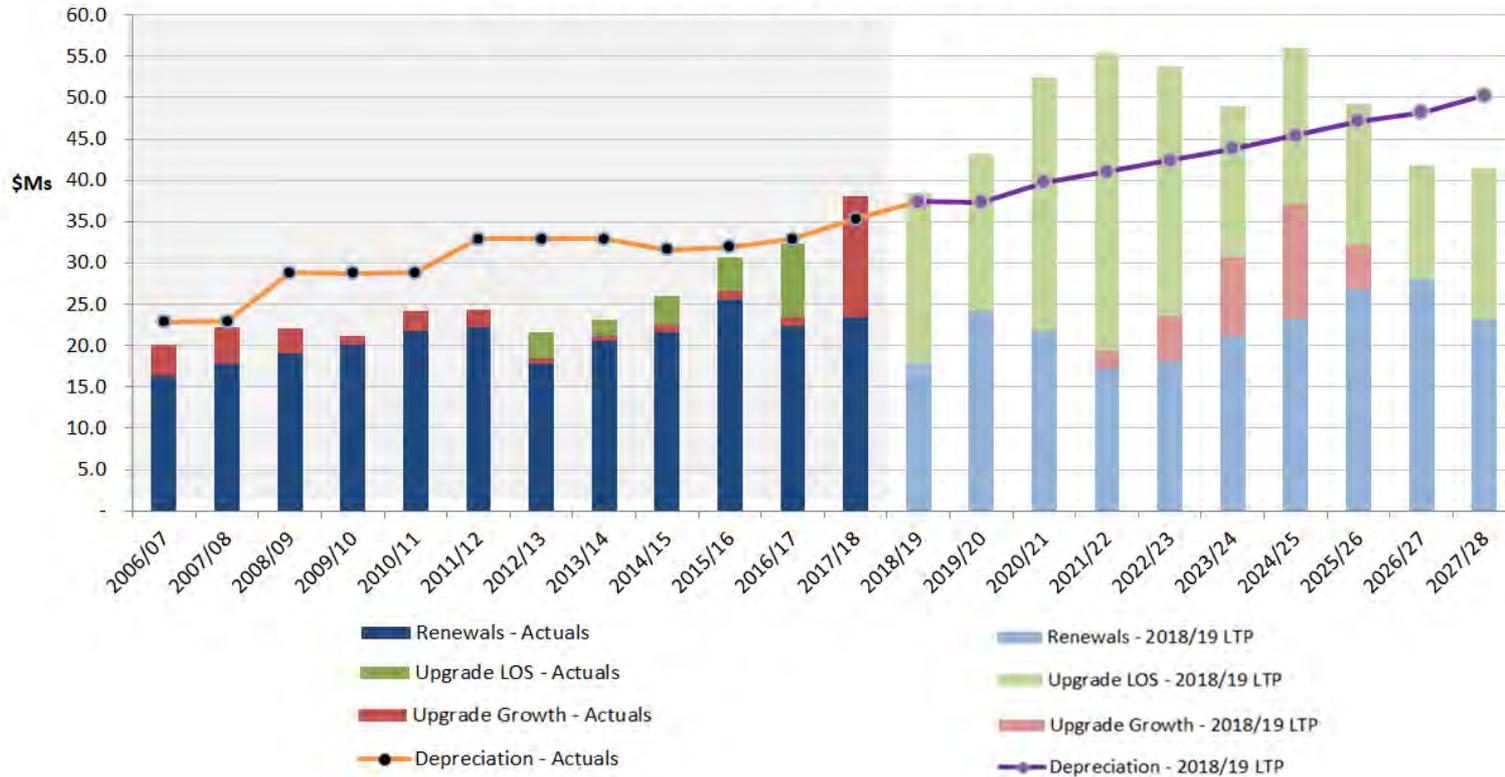
Prospective three waters renewal and depreciation 2018-2048





4. Debt (portfolio)

3 Waters Capex and Depreciation





Summary

1. Funding Capital Expenditure

Depreciation + new debt + Development Contributions

2. Depreciation & Revaluations

Debt + Depreciation funding = Intergenerational equity

3. Long term depreciation funding and renewals

Balance over time (not year on year)

4. Debt (ring-fencing vs portfolio approach)