

Attachment 3 Compliance with Treasury Risk Management

Treasury Risk Management Compliance Report As at 30 June 2010

Total Council Limit Compliance Analysis	Compliant				Compliant		
	Yes	No	actual %		Yes	No	actual %
The fixed net interest rate debt and swaps are to be between 40% and 95% of the total forecasted debt in 12 month time	✓		83%	The repricing of liquid financial investments are to occur within the following timebands			
The maturity of fixed rate debt is within the following timebands				0 -1 year		40% - 100%	✓ 100%
1 - 3 years		15% - 60%	✓ 16%	1 - 3 years		0% - 60%	✓ 0%
3 - 5 years		15% - 60%	✓ 25%	3 - 5 years		0% - 40%	✓ 0%
> 5 years		10% - 60%	✓ 59%	5 -10 years		0% - 20%	✓ 0%
The maturity of total external debt less liquid financial investments to fall within the following timebands				Core Council External Borrowing Limits - Ratios			
0 - 3 years		10% - 60%	✓ 28%	Net debt per capita <\$400			✓ \$104
3 - 5 years		20% - 60%	✓ 50%	The percentage of net external debt to annual rates and levies <210%			✓ 48.0%
> 5 years		0% - 60%	✓ 22%	Net interest expense on net external debt as a percentage of annual rates and levies <25%			✓ 0.7%
Countreparty credit exposure with New Zealand registered banks which have a credit rating of at least A-, long term, and A2 short term			✓	Liquidity (Total debt + committed loan facilities + liquid investments to total debt) > 110%			✓ 135%
Other countreparty exposure within policy limits			✓	Note: The phasing in period of the Treasury Risk Management Policy is now finished			
Maximum countreparty exposure with a NZ registered bank is within \$70 million limit			✓				
Diesel Hedging - Hedging in place, Yes/No			No				