

# Attachment 3 Compliance with Treasury Risk Management Policy

As at 31 March 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	✓		86%	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%	✓	87%
1 - 3 years		✓	14%	1 - 3 years	0% - 60%	✓	13%
3 - 5 years	✓		26%	3 - 5 years	0% - 40%	✓	0%
> 5 years	✓		60%	5 -10 years	0% - 20%	✓	0%
The maturity of total external debt less liquid financial investments to fall within the following timebands				<b>Core Council External Borrowing Limits - Ratios</b>			
0 - 3 years		✓	77%	Net debt per capita <\$400		✓	\$96
3 - 5 years		✓	1%	The percentage of net external debt to annual rates and levies <210%	✓		44.6%
> 5 years	✓		22%	Net interest expense on net external debt as a percentage of annual rates and levies <25%	✓		0.6%
Counterparty 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%	✓		137%
Other counterparty exposure within policy limits	✓			<b>Note:</b> The new Treasury Management Policy became effective on 01 July 09. Please note that there is a 12 month phase in period from 1 July 2009 to comply with debt and interest rate control limits.			
Maximum counterparty exposure with a NZ registered bank is within \$70 million limit	✓						
Diesel Hedging - Hedging in place, Yes/No		No					