

**2.2 Treasury Management Policy Compliance Report
For The Nine Months Ended 31 March 200Q**

Total Council Limit Compliance Analysis		<i>Yes</i>	<i>No</i>
No more than 33% of total debt is subject to refinancing in any financial year.		✓	
Access to undrawn committed lines and liquid investments of no less than \$5m.		✓	
Access to undrawn committed lines and liquid financial investments of no less than \$25m for Council's self insured infrastructural asset risks and contingency reserves.		✓	
Less than 40% of total debt has a floating rate profile.		✓	
Counterparty exposures:	ANZ < \$10m	✓	
	NBNZ < \$50m	✓	
	BNZ < \$10m	✓	
	WestpacTrust < \$10m	✓	

Total Council Borrowing Limits Compliance Analysis		
<i>Ratio</i>	<i>Actual</i>	<i>TMP Limits</i>
Net Interest Expense to Rates and Levies	11%	20%
Net External Debt to Rates and Levies	136%	175%
Net External Debt / Head of Population	\$223	\$300

Significant Activity Compliance Analysis			
<i>Activity</i>	<i>Ratio</i>	<i>Actual</i>	<i>TMP Limits</i>
Regional Water Supply	Net Debt to Water Supply Levy	263%	300%
	Net Financial Costs to Water Supply Levy	22%	40%
Flood Protection - Western Region	Net Debt to Rates	358%	400%
	Net Financial Costs to Rates	30%	50%
Flood Protection - Wairarapa Region	Net Debt to Rates	58%	80%
	Net Financial Costs to Rates	8%	10%
Regional Parks	Net Debt to Rates	38%	50%
	Net Financial Costs to Rates	2%	10%
Corporate Properties	Net Debt to Investments & Capital Assets	63%	75%
	Net Financial Costs to Revenue	25%	50%
Forestry Business Units - Combined	Net Debt to Forestry Market Value *	50%	60%

* Market Value is based on valuation as at 30 June 1999 at a discount rate of 8%.