

2.2 Treasury Management Policy Compliance Report
For The Six Months Ended 31 December 1999

<u>Total Council Limit Compliance Analysis</u>		Yes	No
Less than 33% of total debt is to mature in any one financial year.		✓	
Access to committed lines of no less than \$5m.		✓	
Access to uncommitted lines of no less than \$10m.		✓	
Less than 40% of total debt has a floating rate profile.		✓	
Counterparty exposures:	ANZ < \$1 Om	✓	
	NBNZ < \$50m	✓	
	BNZ < \$10m	✓	
	WestpacTrust < \$1 Om	✓	

<u>Total Council Borrowing Limits Compliance Analysis</u>		
<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	139%	175%
Net External Debt / Head of Population	\$228	\$300

<u>Significant Activity Compliance Analysis</u>			
<i>Activity</i>	<i>Ratio</i>	<i>Actual</i>	<i>TMP Benchmarks</i>
Regional Water Supply	Net Debt to Water Supply Levy	268%	300%
	Net Financial Costs to Water Supply Levy	23%	40%
Flood Protection - Western Region	Net Debt to Rates	348%	400%
	Net Financial Costs to Rates	30%	50%
Flood Protection - Wairarapa Region	Net Debt to Rates	62%	80%
	Net Financial Costs to Rates	6%	10%
Regional Parks	Net Debt to Rates	40%	50%
	Net Financial Costs to Rates	2%	10%
Corporate Properties	Net Debt to Investments & Capital Assets	65%	75%
	Net Financial Costs to Revenue	26%	50%
Forestry Business Units - Combined	Net Debt to Forestry Market Value *	47%	60%

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