

Year End
REPORT



30 June 2013

INVESTMENT MANAGEMENT
GROUP

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1 EXECUTIVE SUMMARY FOR AUDIT, RISK & ASSURANCE COMMITTEE

1.1 Group overview

Business as usual activities and functions carried out by the Investment Management Group included:

- ▶ Investing surplus funds and contingency funds
- ▶ Managing Greater Wellington's debt portfolio and interest rate risk, ensuring adequate cash is available, relationships with bankers, rating agencies
- ▶ Monitoring CentrePort and completing the WRC Holdings group Statement of Intent and reporting to its Board
- ▶ Managing Greater Wellington's interest rate risk on the Stadium Debt and reviewing their Statement of Intent
- ▶ Coordinating Greater Wellington's risk management, coordination and management of the policy on project management
- ▶ Managing and coordinating Greater Wellington's Insurance programme.



1.2 Key results for the year and quarter

Achievements during the year

Risk management

The process around quarterly reporting were formalised into policy and two new risk criteria consequences (Environment and Health & Safety) were incorporated into the risk assessment process. The organisation underwent a review of their risks. A general overall better understanding of the risk management process incurred during this process. The ELT approved a new system of risk reporting to Council which involves summarising the risks in to 10 categories.

Project management

A new project management policy was completed during the year with organisational input and rolled out with training and workshops for each Group. The policy appears to be well received. It is simple in application and able to be scaled to meet any size of project. Projects are being reported to the Chief executive on a quarterly basis.

Insurance

The insurance for the 2013/14 year was renewed before its expiry in 30 June. The overall cost of insurance has reduced from last year. This was driven by three factors. Firstly the Council and GWRL have taken on bigger Earthquake excesses, moving from \$10 million to \$20 million in the case of Material Damage and Business Interruption and for the Matangi Trains. The Water Group are no longer buying infrastructure insurance for their underground assets, rather relying on the Government to pay 60% of any claims. Secondly premiums have reduced slightly and thirdly we have negotiated with our broker Aon a reduced brokerage charge.

Hedging of Interest rate risk

A number of interest rate hedges were taken out during the year. These were all to protect against rising interest rates. A total of \$60 million of new swaps were put in place plus we extended \$15 million of existing swaps during the 2012/13 year.

Approval was sought from Council to hedge outside our Treasury Policy to cover the interest rate risk in the new Matangi trains. The starting of hedging this interest rate risk did not take place until after the order was confirmed. Interest rates had moved up significantly in the interim period.

Achievement/s during the quarter

The Project Management Policy was favourably received when it was rolled out via a number of presentations to the business.

The Council's risks recorded in the risk register underwent an external review, changes were implemented and two new risk criteria added. This review had the added benefit of educating and introducing a number of staff to the concept of risk management. Further work is being done to aggregate risks to a higher level for council reporting.

Market rates and hedging – Changes during the quarter

The Official Cash Rate (OCR) remained unchanged at 2.50%. The 90 Day rate ranged from 2.61% to 2.67%, currently it is at 2.65%.

The 5 year interest rate swap ranged from 3.23% to 4.00% and is currently at 4.15%.

The 10 year swap ranged from 3.74% to 4.65% and is currently at 4.68%.

The price of Singapore Gas oil (Diesel) in NZ Dollars per barrels was:

| | |
|-----------------|-------|
| 30 June 12 | \$150 |
| 30 September 12 | \$153 |
| 31 December 12 | \$151 |
| 31 March 13 | \$142 |
| 30 June 13 | \$155 |

The price of Diesel in New Zealand dollars increased over the quarter to around \$155 per barrel and is trading at around \$150 per Barrel as we write this report.

The proportion of Diesel in the index, under which we pay the service providers, is approximately 15%, which leaves us with a relatively small risk exposure.

The valuation of swaps was \$3.81 million (\$8.45 million in June 2012) negative in Greater Wellington and about \$260,000 (\$537,000 in June 2012) negative for WRC Holdings (WRCH). The negative valuation is due to our contract swap rates being higher than the equivalent actual market rates. Our average borrowing swap rate is about 4.98% for the 2013/14 year. The big movement in the valuation reflects the general upward movement in term interest rates, particularly over the last quarter.

During the quarter we entered into two new swaps on advice from our advisors PWC:

- ▶ \$15m fixed swap from February 2014 to February 2021 at a rate of 4.405%
- ▶ \$15m fixed swap from May 2015 to May 2020 at a rate of 4.725%

These had the benefit of reducing the average cost of the swap by extending them out with a lower yielding swap.

We continue to look for opportunities to add some additional cover, and remain close to our Treasury Advisors' target levels.

Council has now approved the hedging of the Interest rate risk relating to the new Matangi trains, which is outside of Policy. This appears prudent given the significant exposure this has.

Our strategy has been to keep within the Treasury Management Policy and where possible to ensure any new swaps are set under 4.75%.

Any swaps over this level are in our opinion and our Advisors' opinion unlikely to add value over time, given the 90 day bill rate is unlikely to go much higher than 5% during the coming interest rate cycles. We will continue to monitor this position and make adjustments as appropriate.

Investments

The \$33 million liquidity deposits were invested during the quarter on average at about 4.16%.

The contingency funds for the Water and Flood Groups collectively amounting to \$23.43 million and were invested on average at 3.97%, comparing favourably to the 90 day bill rate of around 2.65%.

Debt

The \$44 million of WRCH debt was rolled over at a margin of 12 points (0.12%). WRCH received \$64 million (\$72m last time) in bids and settled with a weighted average interest cost of 2.81% which is \$207,000 per annum cheaper than direct bank borrowing.

At the end of June we had \$19million of Commercial Paper issued, of which \$9 million were raised to fund the share investment into Greater Wellington Rail Limited (GWRL).

In April \$25 million of Commercial Paper we had issued was refinanced with a Floating Rate Note (FRN) maturing in March 2019 issued to the LGFA.

The Gross Debt Level of GWRC (incl. WRCH) per 30 June was \$220.7 million. After deducting money market and short term investments, as well as \$33 million Liquid Financial Deposits, but not the contingency investments, the Net Debt is \$187.7 million. This is an increase of \$65.8 million when compared to 30 June 2012.

This increase in debt was funded by a reduction in our short term liquid funds, an increase in our commercial paper debt and the issuance of \$25 million FRN to the LGFA. The funds were mainly used to fund the final payments on the Matangi contract and capital expenditure projects.

Local Government Funding Agency (LGFA)

The LGFA has had thirteen debt issuances since its inaugural issuance in February 2012. On 19 June 2013 the LGFA issued \$285 million of bonds, bringing total issuance to \$2.235 billion.

Demand for their bonds was solid, with bid-cover ratio of 2.0 times. The margin the LGFA is paying for their bonds due 15.12.2017 has declined from about 95 basis points (0.95%) in February 2012 to 30 points in their most recent issuance (see grey line in graph below). This margin contraction compares very favourably when compared with other debt issuers.

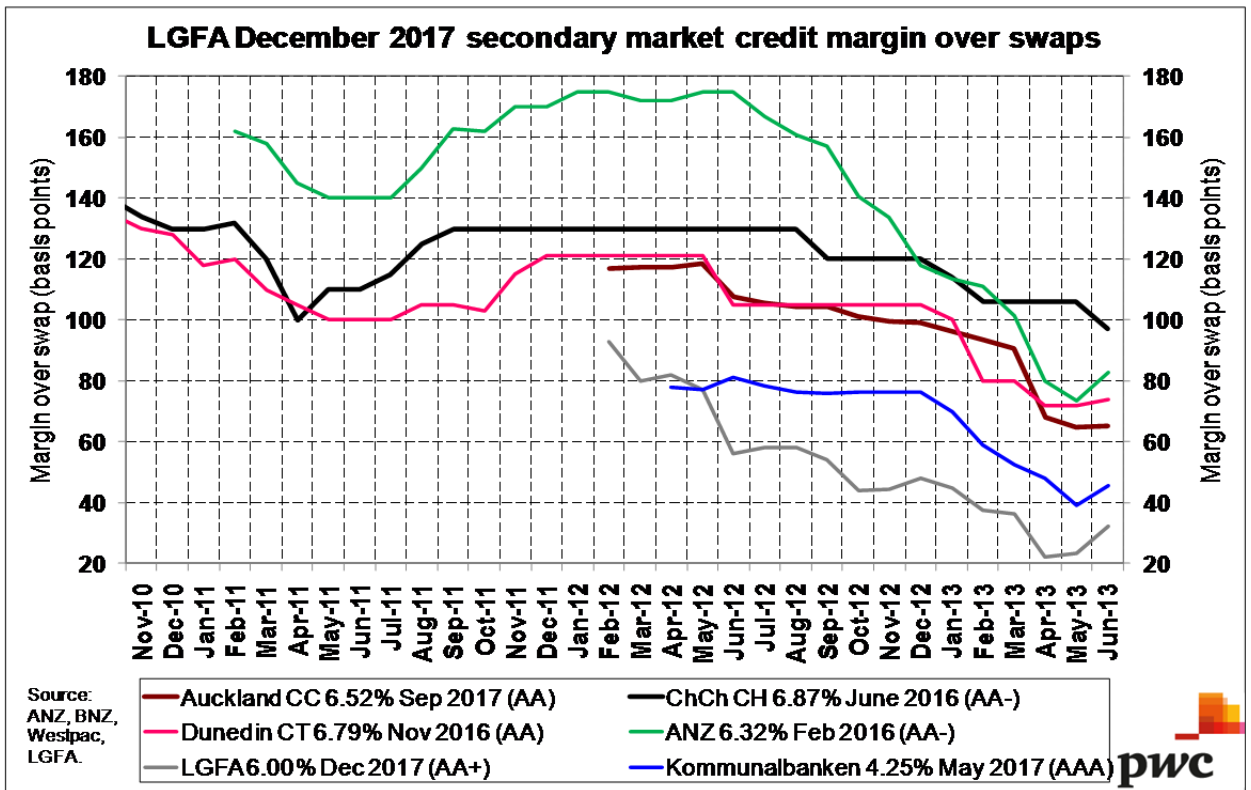
This margin reduction has been passed on to us.

Our recent debt raising with the LGFA due March 2019 is costing 59 points (0.59%) and compares very favourably to our first LGFA debt raising where we paid 88BP and 123BP for debt maturing in April 2015 and December 2017 respectively.

The sharp reduction in the lending margin is a function of generally favourable market conditions and to a lesser extent strength of the LGFA's credit worthiness. The tick up in margin is a result of the Federal Reserve of the US announcing a tapering of their de facto money printing activities.

The margin the LGFA is charging us has reduced from 30 points to 25 points since our first borrowing due to growing book size of the LGFA. With our next borrowing we can expect a margin of 20 points (0.20%). This represents a saving of \$25,000 per year on each \$25 million of new debt we raise. The next debt maturity we are considering is May 2021 and the saving on this would be \$200,000 over the life of the Bond, a not insufficient saving.

In relation to the chart on the previous page, Kommunalbanken is the Norwegian equivalent of the LGFA. They borrow funds in our local market and swap them back into their own currency. There is a benefit to them to do this but it is notable that while their credit rating is AAA, compared to the LGFA's AA+, they still have to pay a premium to be in our market.



Insurance

The Council's insurance was all renewed at 30 June via our Broker Aon. Our total Insurance bill came to \$3.5 million and compares favourably to our budget of \$3.9 million and \$4.9 million actual cost last year.

The reduction was due to three factors:

Firstly premiums have softened, the three main areas are, material damage and business interruption, rolling stock and general liability.

Secondly the Council and GWRL have taken on larger excess for an Earthquake event, which has seen this excess move to \$20 million from \$10 million.

Thirdly our brokerage has reduced by around \$100,000 reflecting the fact we are no longer insuring our below ground infrastructure and have negotiated with our Brokers a reduced fee for our London market placements.

The Water Group have decided not to insure their below ground assets, but instead rely on the Crown to pick up 60% of any claim based on their Probable Maximum Loss (PML) calculations.

The Council agreed to set up a fund to support the increase in excess from \$10m to \$20m for its Property. The fund will start with a balance in the vicinity of \$300,000 being the premium saving of moving from a \$20 million excess to a \$10 million excess. GWRL is currently looking at doing the similar thing.

Risk Management

A new reporting process was initiated during the quarter which effectively groups the organisations 40 odd risks in to 10 categories. These categories were agreed with ELT and are as follows:

- ▶ Services are severely curtailed
- ▶ Physical harm to the general public
- ▶ Health and safety to staff and contractors
- ▶ Loss, failure or damage to assets
- ▶ Political
- ▶ Environmental damage;
- ▶ Financial
- ▶ Human resources
- ▶ Subsidiary companies and trusts
- ▶ Legislative and regulatory

Each risk is categorised into one or more of the above categories and then the categories are scored. This then provides a high level assessment of the risks the organisation has. This list will be presented to Audit Risk & Assurance Committee.

Project Management

A number of presentation sessions have been undertaken with the organisational groups to introduce the project management policy. The groups are now reporting projects with their quarterly reporting through to the Chief Executive. This should now see closer monitoring of projects at both a group level and Chief Executive level.

Council Controlled Organisations

The Stadium has produced its final Statement of Trustee Intent and a paper has been prepared for the WRC Holdings Company Directors who are now monitoring it along with the Council. The Stadium is facing reduced revenues from events and uncertainty around the renewal of its Corporate boxes licences.

1.3 Looking ahead

The next quarters will continue to focus on raising further debt and managing our interest rate risk.

2 GROUP FINANCIAL SUMMARY

2.1 Financial summary

Investment Management is showing a \$26.8 million surplus, which is \$2.1 million unfavourable to budget.

Total income is \$417.000 favourable to budget, mainly due to a higher level of cash investments during the year relating to the timing of payments for the Matangi and prefunding of our debt requirements plus additional subvention payments from CentrePort, offset by no dividend receipt from WRCH which has been deferred to 2013/14.

Total operating expenditure was close to budget however finance costs were favourable reflecting lower swaps costs and bank fees. Interest paid on reserves were higher than budget, reflecting a higher opening balance and level of reserves during the year.

Non operating revenue was \$2.6 million unfavourable to budget. This was driven by lower revenue grant from Public transport (Matangi timing) to fund the shares in Greater Wellington Rail Limited (GWRL). This is offset by a favourable \$3.73 million upward fair value movement in the swaps portfolio due to higher interest rates compared to June 2012.



2.2 Group consolidated financial statements

| Investment Management Income Statement 12 months ending 30 June 2013 | YTD as at 30 June | | | Full Year | | | Last Year | |
|----------------------------------------------------------------------------|-------------------|-----------------|-------------------|-------------------|-----------------|-------------------|---------------------|--------------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 | Variance \$000 | YTD Actual \$000 | FY Actual \$000 |
| Rates & Levies | 2,676 | 2,676 | - | 2,676 | 2,676 | - | 2,676 | 2,676 |
| Investment Revenue | 5,106 | 4,535 | 571 | 5,733 | 4,535 | 1,198 | 7,653 | 7,653 |
| Internal Debt Interest Recovery | 14,531 | 14,685 | (154) | 14,770 | 14,685 | 85 | 11,898 | 11,898 |
| Internal Revenue | 206 | 206 | 0 | 206 | 206 | - | 223 | 223 |
| TOTAL INCOME | 22,519 | 22,102 | 417 | 23,384 | 22,102 | 1,283 | 22,452 | 22,452 |
| Materials,Supplies & Services | 88 | 114 | 26 | 149 | 114 | (35) | 72 | 72 |
| Travel & Transport Costs | 0 | 0 | - | 0 | 0 | - | 0 | 0 |
| Contractor & Consultants | 212 | 178 | (34) | 92 | 178 | 86 | 106 | 106 |
| Internal Charges | 402 | 402 | 0 | 402 | 402 | - | 392 | 392 |
| Total Direct Expenditure | 703 | 693 | (10) | 643 | 693 | 50 | 570 | 570 |
| External Finance Costs | 7,921 | 8,124 | 203 | 7,935 | 8,124 | 189 | 7,231 | 7,231 |
| Bad Debts | 0 | 0 | - | 0 | 0 | - | 0 | 0 |
| Internal Reserve Investment Cost | 1,044 | 901 | (143) | 973 | 901 | (71) | 869 | 869 |
| Depreciation | 24 | 36 | 12 | 36 | 36 | - | 25 | 25 |
| Loss(Gain) on Assets / Investments | (29) | 0 | 29 | 0 | 0 | - | 0 | 0 |
| Total Indirect Expenditure | 8,960 | 9,060 | 101 | 8,943 | 9,060 | 117 | 8,125 | 8,125 |
| TOTAL OPERATING EXPENDITURE | 9,663 | 9,754 | 91 | 9,586 | 9,754 | 168 | 8,696 | 8,696 |
| OPERATING SURPLUS/(DEFICIT) | 12,857 | 12,348 | 509 | 13,798 | 12,348 | 1,450 | 13,757 | 13,757 |
| Unrealised Revaluation Gains / (Loss) | 4,712 | 981 | 3,731 | 981 | 981 | - | (7,050) | (7,050) |
| Grants and Subsidies - Revenue | 8,531 | 14,855 | (6,324) | 11,011 | 14,855 | 3,844 | 3,958 | 3,958 |
| Surplus / (Deficit) after non operating items | 26,100 | 28,184 | (2,084) | 25,790 | 28,184 | (2,394) | 10,665 | 10,665 |

| Investment Management Funding Statement For the year ending 30 June 2013 | YTD as at 30 June | | | Full Year | | | Last Year | |
|--------------------------------------------------------------------------------|-------------------|-----------------|-------------------|-------------------|-----------------|-------------------|---------------------|--------------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 | Variance \$000 | YTD Actual \$000 | FY Actual \$000 |
| Operating Surplus(Deficit) | 26,100 | 28,184 | (2,084) | 25,790 | 28,184 | (2,394) | 10,665 | 10,665 |
| Add Back Depreciation | 24 | 36 | (12) | 36 | 36 | - | 25 | 25 |
| Other Non Cash | (4,741) | (981) | (3,760) | (981) | (981) | - | 7,050 | 7,050 |
| Net Asset Acquisitions | (309) | (100) | (209) | (752) | (100) | (652) | (496) | (496) |
| Net External Investment Movements | 7,701 | (15,255) | 22,956 | (11,274) | (15,255) | 3,981 | (5,156) | (5,156) |
| NET FUNDING BEFORE DEBT & RESERVE M | 28,775 | 11,884 | 16,891 | 12,819 | 11,884 | 935 | 12,088 | 12,088 |
| Debt Additions / (decrease) | 180,055 | (14,558) | 194,613 | (13,367) | (14,558) | 1,191 | 128,421 | 128,421 |
| Debt Repaid | (180,630) | 13,249 | (193,879) | 5,381 | 13,249 | (7,868) | (136,509) | (136,509) |
| Net Reserves (Increase) / decrease | 3,187 | (4,086) | 7,273 | 1,226 | (4,086) | 5,312 | 3,245 | 3,245 |
| NET FUNDING SURPLUS (DEFICIT) | 31,387 | 6,489 | 24,898 | 6,059 | 6,489 | (430) | 7,245 | 7,245 |

| Investment Management Capital Expenditure Statement For the year ending 30 June 2013 | YTD as at 30 June | | | Full Year | | | Last Year | |
|--------------------------------------------------------------------------------------------|-------------------|-----------------|-------------------|-------------------|-----------------|-------------------|---------------------|--------------------|
| | Actual \$000 | Budget \$000 | Variance \$000 | Forecast \$000 | Budget \$000 | Variance \$000 | YTD Actual \$000 | FY Actual \$000 |
| Total Asset Acquisitions | - | - | - | - | - | - | - | - |
| Capital Project Expenditure | 309 | 100 | (209) | 752 | 100 | (652) | 495 | 495 |
| Asset Disposal Cash Proceeds | - | - | - | - | - | - | - | - |
| Net Capital Expenditure | 309 | 100 | (209) | 752 | 100 | (652) | 495 | 495 |
| Investments Additions | (7,701) | 15,255 | (22,956) | 11,274 | 15,255 | 3,981 | 5,156 | 5,156 |

2.3 Departmental financial summary and variance analysis

Total income is \$417,000 favourable to budget. This is due to \$571,000 higher investment revenue and is offset by \$154,000 lower interest recovery from internal debt due to slower capex spending by the business units.

Investment Revenue is \$ 571,000 favourable to budget. This is due to \$1.3 million higher interest on money market investments. This was from interest received on debt prefunding and the timing of the payments for the Matangi trains. The subvention payment from CentrePort was \$1.25 million favourable as was, interest earned from liquid financial deposits by \$176,000. The swap costs relating to our \$10 million investment as part of the \$33 million of liquid financial deposits is \$214,000 favourable due to the reorganisation of the ANZ \$10 million bond investment. These are offset by a \$2.4 million unfavourable non receipt of dividend from WRC Holdings which has been deferred to 2013/14.

Total direct expenditure is \$10,000 above budget, mainly due to higher expenditure for contractors and consultants.

Total indirect expenditure is \$101,000 above budget

External finance costs are \$203,000 below budget. The interest expenditure on external debt is on budget. The costs for our swaps are \$152,000 below budget and financing fees are \$51,000 below budget. The latter is mainly due to reducing our credit lines with the banks and therefore saving line fees.

Internal Reserve Investment costs where Treasury pays the business interest were \$143,000 unfavourable to budget due to the reserve opening balance and transfers to reserve being higher than budgeted.

Gain on Investments of \$29,000 relates to the reorganisation of the ANZ \$10 million bond investments during the year.

As a result of the above variances the *operating surplus* before non-operating items is \$1.26 million above the budgeted amount of \$12.35 million.

Non-Operating expenditure is \$2.6 million unfavourable to budget. The grant Investment Management received from Public Transport for the investment in WRC Holding shares is \$6.32 million below budget which is due to public transport spending less on the Matangi I and Matangi II projects and therefore requiring less funding.

This is offset by \$3.73 million favourable fair value movement on the swaps portfolio as interest rates are higher than a year ago.

Capital expenditure is \$309,000 for the year, with \$158,000 relating to the green star certification process for the new Masterton office, the balance relates to the capex cost for the move to Shed 39.

3 KEY PERFORMANCE INDICATORS

3.1 Key performance indicators as at 30 June 2013



See attachment 1.

Since 1 July 2012 a slightly amended Treasury Management Policy governs the activities in Investment Management.

The benchmark limits for the Fixed Rate Debt Maturity Profile and the Funding and Liquidity were slightly amended. The borrowing limits have been changed and the following ratios apply now.

- ▶ Net Interest Expense / Total Revenue < 20%
- ▶ Net Debt / Total Revenue < 250%
- ▶ Net interest / Annual Rates and Levies < 30%

As per 30 June we were fully compliant in all three ratios.

Fixed Rate Debt Maturity profile

During the quarter we entered into two forward starting long dated swaps of \$15 million each. Our fix / floating fix is now at 85%. In the one to three year maturity we are at 13%, which below the minimum of 15% required by the policy. This breach of policy is approved by council, as the first swaps relating to the debt increase by the Matangi II project have been entered into.

Net External debt per Capita and Net External Debt / Rates & Levies

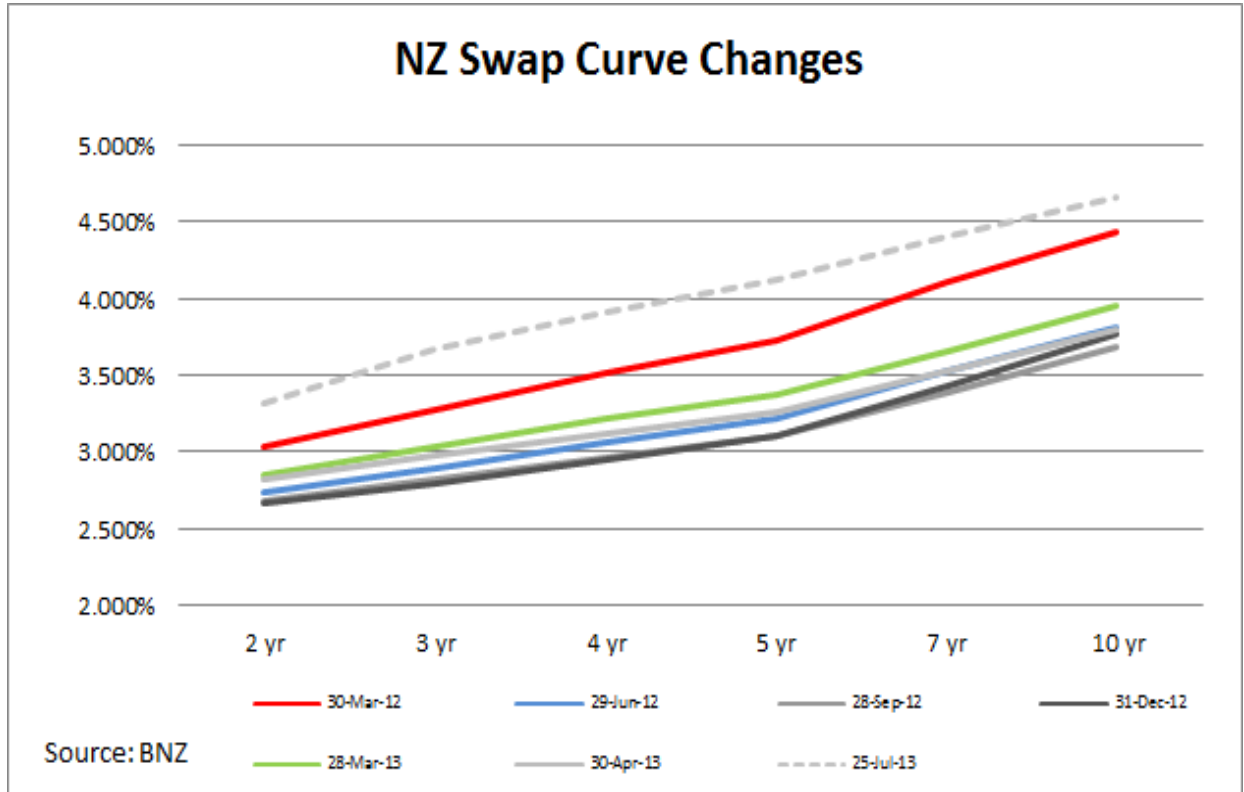
Although not required under the new policy, we continued to calculate these ratios. The net external debt per capita increased from \$215 in March to \$243 at the end of June 2013. The net debt increase is also responsible for the increase in the “Net External Debt / Rates & Levies” ratio from 92.2 % at the end of March to 104.0% at the end of the financial year.

Historical benchmark rate by APRM – no margin

The APRM benchmark rate decreased slightly from 4.05% to 4.00% during the quarter, a downward movement of 0.05%. During the same period Greater Wellington’s cost of funds increased by 0.13% to 4.04%, mainly due to having a higher proportion of debt fixed by swaps.

3.2 Historic key performance indicators

See attachment 2.



| Key Performance Indicators As at 30 June 2013 | | | | | | | | | | | | | | | | | | |
|---------------------------------------------------------------------------------------------|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|---------------------------------------------------|------------------|------------------|------------------|------------------|
| | Benchmark/ Limits Per TMP. | Actual Jun-13 | Actual May-13 | Actual Apr-13 | Actual Mar-13 | Actual Feb-13 | Actual Jan-13 | Actual Dec-12 | Actual Nov-12 | Actual Oct-12 | Actual Sep-12 | Actual Aug-12 | Actual Jul-12 | Benchmark/ Limits Per TMP up to 30.06.12 | Actual Jun-12 | Actual Jun-11 | Actual Jun-10 | Actual Jun-09 |
| Debt - Interest Rate Risk Control limits | | | | | | | | | | | | | | | | | | |
| Fixed net interest rate debt and swaps to the total forecasted debt in 12 month time | | | | | | | | | | | | | | | | | | |
| | 40% - 95% | 85% | 82% | 82% | 84% | 80% | 77% | 69% | 70% | 72% | 74% | 76% | 78% | 40% - 95% | 76% | 69% | 83% | 102% |
| Debt - Fixed Rate Maturity Profile Limits | | | | | | | | | | | | | | | | | | |
| 1 - 3 years | 15 - 60% | 13% | 15% | 15% | 15% | 20% | 20% | 20% | 16% | 23% | 23% | 20% | 20% | 15 - 60% | 20% | 19% | 16% | 26% |
| 3 - 5 years | 15 - 60% | 41% | 49% | 49% | 49% | 54% | 37% | 37% | 37% | 41% | 41% | 44% | 44% | 15 - 60% | 44% | 27% | 25% | 4% |
| > 5 years | 0 - 60% | 46% | 36% | 36% | 36% | 26% | 43% | 43% | 46% | 36% | 36% | 36% | 36% | 10 - 60% | 36% | 54% | 59% | 70% |
| Funding and Liquidity risk | | | | | | | | | | | | | | | | | | |
| 0 - 3 years | 15 - 60% | 44% | 42% | 40% | 47% | 50% | 50% | 50% | 49% | 43% | 41% | 31% | 28% | 10 - 60% | 30% | 38% | 28% | 86% |
| 3 - 5 years | 15 - 60% | 32% | 33% | 37% | 36% | 34% | 34% | 35% | 24% | 27% | 27% | 35% | 36% | 20 - 60% | 32% | 18% | 50% | 0% |
| > 5 years | 10 - 60% | 24% | 25% | 24% | 17% | 16% | 16% | 16% | 27% | 31% | 32% | 34% | 35% | 15 - 60% | 37% | 44% | 22% | 14% |
| Investing - Repricing liquid financial investments | | | | | | | | | | | | | | | | | | |
| 0 - 1 years | 40 - 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 40 - 100% | 100% | 100% | 100% | 35% |
| 1 - 3 years | 0 - 60% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0 - 60% | 0% | 0% | 0% | 65% |
| 3 - 5 years | 0 - 40% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0 - 40% | 0% | 0% | 0% | 0% |
| 5 - 10 years | 0 - 20% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0% | 0 - 20% | 0% | 0% | 0% | 0% |
| Borrowing Limit compliance under new treasury policy - starting 01.07.12 | | | | | | | | | | | | | | | | | | |
| Net Interest Expense / Total Revenue | < 20% | 2% | 2% | 2% | 2% | 2% | 2% | 2% | 2% | 1% | 1% | 1% | 1% | n / a | 1% | 1% | | |
| Net Debt / Total Revenue | < 250% | 55% | 50% | 48% | 47% | 49% | 51% | 47% | 48% | 43% | 33% | 24% | 18% | n / a | 18% | 14% | | |
| Net interest / Annual rates and levies | < 30% | 4% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | n / a | 3% | 3% | | |
| Liquidity Ratio | > 110% | 135% | 131% | 137% | 139% | 142% | 140% | 143% | 143% | 138% | 149% | 145% | 149% | > 110% | 152% | 162% | 139% | 163% |
| Debt ratios under expired treasury policy | | | | | | | | | | | | | | | | | | |
| Net External Debt per Capita | \$400 | \$243 | \$231 | \$218 | \$215 | \$225 | \$231 | \$216 | \$218 | \$199 | \$152 | \$149 | \$113 | \$400 | \$113 | \$85 | \$104 | \$88 |
| Net External Debt / Rates & Levies | 210% | 104% | 99% | 93% | 92% | 96% | 99% | 93% | 93% | 85% | 65% | 63% | 48% | 210% | 50% | 39% | 48% | 41.4% |
| Net Interest Expense / Rates & Levies | 25% | 4% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 3% | 25% | 3% | 1% | 0.7% | 0.8% |

| History of Key Performance Indicators | | | | | | | | | | | | | | | | | | |
|----------------------------------------------------------------|----------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|---------|---------|
| | | | | | | | | | | | | | | | | | | |
| | Benchmark/ Limits | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual | Actual |
| | Per old TMI | Jun-13 | Mar-13 | Dec-12 | Sep-12 | Jun-12 | Jun-11 | Jun-10 | Jun-09 | Jun-08 | Jun-07 | Jun-06 | Jun-05 | Jun 04 | June 03 | June 02 | June 01 | June 00 |
| Core Council | | | | | | | | | | | | | | | | | | |
| Net External Debt per Capita | \$400 | \$243 | \$215 | \$216 | \$152 | \$113 | \$85 | \$104 | \$88 | \$55 | \$48 | \$11 | \$4 | \$11 | \$24 | \$49 | \$66 | \$83 |
| Net External Debt / Rates & Levies | 210% | 104% | 92% | 93% | 65% | 50% | 39% | 48% | 41% | 27% | 26% | 5.8% | 2.0% | 6.5% | 13.9% | 28.5% | 38.8% | 56.5% |
| Net Interest Expense / Rates & Levies | 25% | 3.5% | 3.3% | 3.1% | 2.6% | 2.6% | 1.0% | 0.7% | 0.8% | 0.2% | 1.1% | 0.3% | 0.8% | 2.4% | 3.6% | 5.1% | 4.9% | 7.4% |
| Average Interest Rate on Debt (WACD) (includes Crown Loans) | | 4.1% | 4.1% | 4.0% | 4.0% | 4.2% | 4.5% | 4.4% | 4.6% | 6.0% | 7.1% | 7.5% | 7.5% | 7.2% | 7.3% | 7.7% | 7.8% | 7.8% |

3.3 Project Report

There are no projects to report in Treasury.



greater WELLINGTON

REGIONAL COUNCIL

Te Pane Matua Taiao