

Report No:	RFN11-11-05
File No:	
Report Date:	1 November 2011
<b>Information Only – no decision required</b>	

## REPORT

**Report to:** Corporate Services Committee  
**Meeting Date:** 10 November 2011  
**Report Author:** Murray Staite, Corporate Services Manager  
**Subject:** Treasury Management – RFN11-11-05

### 1. Treasury: July 2011

#### Debt Levels

Council's debt at 30 September 2011 stands at \$131.7 million, with an average interest rate of 5.39%. (June 2011 5.51%).

#### New swap transactions




The Corporate Services Manager has delegated authority to enter into interest rate swaps on behalf of Council on the proviso that it is reported back to this Committee.

No new swaps have been entered into since the last report.

#### Treasury Limits


The following are details of Council's compliance with Treasury limits.

##### Fixed Rate Maturity Profile Limit

	Minimum	Maximum	Actual: September 2011	Limit Meet
1 – 3 years	20%	60%	23%	
3 – 5 years	20%	60%	33%	
5 – 10 years	10%	60%	44%	




### Fixed/Floating Profile

(A maturity greater than 1 year is defined as fixed)

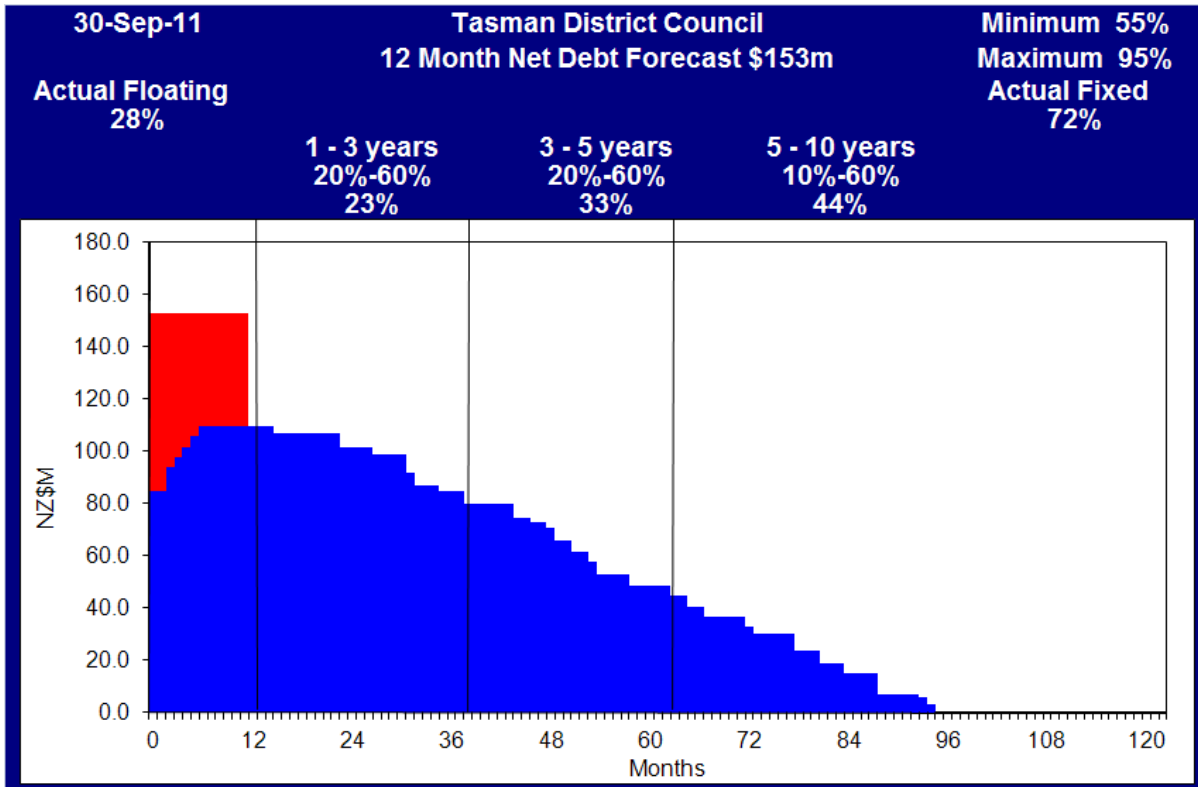
Minimum	Maximum	Fixed Actual: September 2011	Limit Meet
55%	95%	72%	






### Facility maturity limit

To minimise the risks of large concentrations of debt maturing or being reissued in periods where credit margins are high for reasons within or beyond Council’s control, delegated debt maturities are generally spread widely over a band of maturities.

	Minimum	Maximum	Actual: September 2011	Limit Meet
1 – 3 years	20%	60%	88%	
3 – 5 years	20%	60%	12%	
5 – 10 years	10%	60%	-	

## Treasury Management Policy Limits



Treasury Limits	Actual September 2011	Within Limits
Net Debt not to exceed 20% of equity	11.4%	
Net external debt not to exceed 250% of total operating revenues	132%	
Net interest as a % of total revenues to be less than 20%	7.2%	
Net interest as a % of total annual rates to be less than 25%	12.2%	
Liquidity over the next 12 months to be at least 110%	111%	

## 2. Investments

Council investments which include disaster funds, self insurance funds and general investments total \$4.68 million dollars with an average interest rate of 3.74% (July 2011 3.74%).

### 3. RECOMMENDATION/S

That the report be received.

### 4. DRAFT RESOLUTION

**THAT the Corporate Services Committee receives the Treasury Management Report – RFN11-11-05.**