

Media Release



30 October 2012

Council credit rating confirmed

Taupō District Council (TDC) received an excellent credit rating of AA- from, the international credit rating agency, Standard & Poor's (S&P).

TDC is the only district council in New Zealand to currently have a rating in the AA category placing it among larger councils. All other similarly ranked Councils (AA- and above) are either city or regional councils.

S&P rates organisations on a scale of AAA to D. A strong credit rating is an indicator of a council's financial strength. It gives wholesale investors confidence in the organisation. It also provides Council a financial advantage including access to more diversified funding and the ability to borrow money at cheaper interest rates.

Alan Menhennet, Group Manager Corporate and Infrastructure, says that this high rating is good news for Council. "The AA- credit rating is an endorsement of the financial strategy that Council has undertaken over a number of years."

Mr Menhennet reveals: "Council has worked consistently to optimise our financial systems toward a more strategic and sophisticated money management methodology. This gives us more liquidity and access to diversified funding."

Councils ranked (AA- and above) include: Auckland Council, Wellington City, Christchurch City, New Plymouth City, Dunedin City, Hutt City, Palmerston North City and Greater Wellington Regional.

S&P is one of the big three international credit rating agencies, which also includes Moody's Investor Service and Fitch Rating. S&P issues credit ratings for the debt of public and private corporations.

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