Ready for take-off: Auckland Airport reaches new heights with consolidated treasury management

Auckland Airport

ABOUT

Auckland Airport is a major New Zealand transport hub, managing over 19 million passengers each year. With 30 airlines, it is the largest airport in New Zealand and the fourth busiest international airport in Australasia. Auckland Airport is a publicly listed company generating $629 million of revenue in the 2017 financial year and is the fourth largest company by capitalisation on the New Zealand Stock Exchange.

KEY RESULTS

- Leading New Zealand transport hub consolidates treasury management with GTreasury

- The client has experienced benefits including improved flexibility, speed and reliability of reporting

- Phase Two will extend solution functionality to include forecasting, enhanced reporting and scenario modeling

The Challenge

The treasury function manages c.$2.2 billion of debt across a variety of sources from the New Zealand, Australian and the US private placement markets. Auckland Airport had operated for some time with a number of disparate systems to cover recording, reconciling and reporting of treasury transactions. Some systems were highly automated and sophisticated whilst others relied on more manual processes (such as Excel spreadsheets). The system landscape meant there was no single source to view treasury's performance. As the organisation's needs grew, management of the treasury function was becoming increasingly challenging and inefficient. Management sought to consolidate all treasury systems into one platform, providing a single, reliable source of truth about the airport's funding activities. Importantly, the new platform needed sufficient flexibility to cater for different audiences (e.g. operational and management reports), time horizons (e.g. weekly, quarterly and annual reporting) and scenario modeling.

The Solution

A number of Auckland Airport's team members had prior experience using GTreasury products and were impressed with the company's reputation, the robust functionality of the product set, the technical support on offer and experience in replacing the existing legacy system.

GTreasury deployed its proven treasury solutions, optimised for the Transport and Logistics sectors, to meet the airport's requirements. Auckland Airport presented an extensive list of requirements to consolidate existing processes and systems under one platform. The GTreasury Professional Services team engaged with business and functional stakeholders to implement a robust data migration process. Phase One focused on implementing reliable system to handle analysis and reporting of live and historical data, which recorded the airport's debt and hedging portfolios and produced reliable monthly journals.

GTreasury is not a one-size-fits-all. It is a modular platform, allowing you to choose what you need rather than paying for extra functionality that you don't use."

—Michael Verkuylen Chief Financial Officer

The Result

With Phase One completed, Auckland Airport is already realising benefits from the consolidation of multiple processes and systems into GTreasury.

Higher confidence: With financial data integrated into a single system, Auckland Airport has greater confidence in the outputs of data extracts and reports

Process automation: Consolidation into GTreasury has dramatically improved business processes. With auto rate setting, scheduled reports, auto-generated email reminders and integrated payments, many manual processes have been superseded by the automated GTreasury system. Additionally, with GTreasury, there is a greatly reduced need to perform additional analysis.

Improved reporting: With an integrated and automated system, GTreasury has made a suite of new reporting views available to Auckland Airport. Staff are able to drill down to their desired level of detail to react quickly to data requests.

ABOUT GTREASURY

GTreasury's integrated TMS not only keeps pace with today's rapidly evolving enterprises, it surfaces the critical relationships between cash management and risk management. In this way, your treasury information becomes an invaluable driver of strategic business decisions.
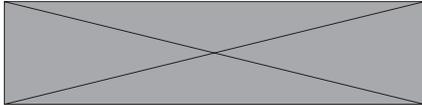
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GTREASURY

the clarity to act

Making Tax Payments Less Taxing

ABOUT

Formed "by educators for educators" in 1945, the Horace Mann Educators Corporaton originally aimed to provide quality affordable auto insurance for those in the teaching profession. Today's company has extended into home, property and life insurance as well as retrement annuites. It serves more than 4,100 US school districts and has nearly $10 billion in assets.

KEY RESULTS

- Improved Forecasting
- Saved 10 hours of work per week
- Automated almost 100 different types of tax payments

Introduction

Horace Mann is a multline insurer. As such, the firm's treasury team handles a high volume of payments. They include no less than 2,200 tax payments annually, totalling $20 million. Each of the 40 states in which the company operates imposes its own regulatons, reportng requirements and report format for these payments and requires specific addenda formats for ACH credit tax payments.

Horace Mann's treasury team collaborated with GTreasury to amend 180 addenda templates in GTreasury covering 300 different fields. The effort saved time and improved forecastng.

The Challenge

Horace Mann's three-person treasury department is tasked with multple responsibilites. A central one is ensuring that tmely and accurate tax payments are made that comply with each state's requirements.

Before signing on with GTreasury, the team's work was mostly manual. Cash positoning stll involved Excel spreadsheets, and completng payments was a repetitve, lengthy process that involved logging into multple bank portals at several different stages. The tax payment process involved the redundant, manual actvites of the tax department as well as the treasury team. As tax payments were the largest in volume for Horace Mann's cash management team, relying on an outmoded process carried a high risk of human error.

Compounding the team's treasury challenges with mutple bank portals was the fact that a growing number of states had abandoned the traditonal check payment process and began requestng electronic ACH payments. Each of the 40 states Horace Mann operates in has its own regulatons, reportng requirements, and report format. New or changed addenda record formats and state bank account informaton created by banks were either communicated too late or not at all to Horace Mann. So, many payments missed the deadline or were rejected, incurring late fees or penaltes.

Treasury efficiencies were further hampered by an absence of set procedures, impactng multple areas of the company's operatons, resultng in a high volume of reconciling items.

The Solution

The Horace Mann treasury team worked in partner-ship with GTreasury to amend addenda templates in response to changes. Between 300 and 400 tem-plates for tax payments were imported into the GTreasury system, startng first with withholding taxes and progressing successfully to premium

> "GTreasury's implementation team was really great about taking our ideas and bringing them to fruition. They helped us to solve a problem and, in turn, other clients are able to utilize those same tools."
>
> **—Rachel Obert, CTP Manager Banking and Investments**

taxes. Beyond taxes, the team used the imports for inter-company and third-party transfers. Using the new templates within the GTreasury Payments module, Horace Mann set up a centralized approval process that consolidates the payment process and creates a single point for regulatory scrutny.

The soluton satisfies several key criteria, including reduced manual data entry; creatng an accessible audit trail; improving cash forecastng; and making payment processing easier- above all for tax payments. Last-minute adjustments are now fast, easy and inexpensive. The tax team has saved 10 hours of work per week but is contnuing to unlock further savings. When the project is completed, Horace Mann will have automated and efficiently processed almost 100 different types of tax payments.

The Result

Horace Mann's collaboraton with GTreasury to imple-ment the soluton has helped treasury overturn the fallacy that it is the company's cost center, instead emphasizing its role as the gatekeeper of corporate money. This has raised the team's profile and won it respect at the senior executve level. The tax project has also extended benefits to other departments within Horace Mann beyond treasury. It has also produced support for other projects, such as integra-ton for short-term investments and a money market portal. In the end, having chosen GTreasury's mult-tenant SaaS soluton for treasury management means that Horace Mann's efforts to improve its payment processes not only moved the company forward, but it helps moves the needle on efficiency and compliance for other treasury organizatons using GTreasury.