

KEY FINANCIAL PERFORMANCE INDICATORS FOR THE NINE MONTHS ENDED 31 MARCH 2021

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EXECUTIVE SUMMARY

1. This report provides a high-level summary of the key financial performance indicators for the nine months ended 31 March 2021.

KEY PERFORMANCE INDICATORS

- 2.1 Council was in compliance with all of its key financial ratios.
- 2.2 Interest expense on external debt for the nine months ended 31 March 2021 of \$3.54m was \$0.15m higher than year-to-date budget of \$3.39m. This is due to the timing of interest payment cashflows year to date.

TREASURY REPORTS

- 3.1 At 31 March 2021 total external debt was \$110.0m, unchanged from January 2021. Council has a \$20.0m maturity due in April 2021.
- 3.2 Council's weighted cost of finance at 31 March 2021 was 3.41%, unchanged from February 2021.

INTEREST RATE SWAPS

- 4.1 The valuation of Council's interest rate swaps at 31 March 2021 was a net liability of \$8.3m, in line with the period ending 28 February 2021.
- 4.2 At 31 March 2021 Council held interest rate swaps totalling \$91.5m. Of these \$31m were forward start interest rate swaps. Council had 55% of total debt covered by current interest rate swaps, unchanged from February 2021.
- 4.3 The current swaps to 12-month net debt ratio as at 31 March 2021 sits within the recommended policy bands.

PROJECTED CASH BALANCES

- 5.1 At 31 March 2021 Council had a positive cash position of \$58.8m. This was comprised of \$15.9m cash and \$42.9m in short term deposits. This balance includes rates collected on behalf of the Bay of Plenty Regional Council which will be passed on in April 2021. Council has a \$20m debt maturity in April 2021 which will be funded through these deposits.



INTERNAL LOAN AND CURRENT ACCOUNT BALANCES

- 6.1 Internal loan balances at 31 March 2021 totalled \$98.39m. This is \$0.34m lower than the 28 February 2021 balance of \$98.73m.
- 6.2 Current account balances totalled \$12.69m as at 31 March 2021. This is consistent with the balances of 28 February 2021.

DEBT SUMMARY AND TREND ANALYSIS

- 7.1 The attached graphs (Attachment 1) provide details of Council's external debt from March 2017 to 31 March 2021.
- 7.2 Net debt being external debt of \$110.0m less cash on hand of \$58.8m, was \$51.2m as at 31 March 2021. This was \$14.4m lower than the 28 February balance of \$65.6m as Council's second rates instalment fell due in March.

Key Performance Indicators for the Period Ended 31 March 2021

Debt Levels & Interest Costs						
	Year to Date - 31 March 2021			Year to Date - 28 February 2021		
	Actual (\$000)	Budget (\$000)		Actual (\$000)	Budget (\$000)	
Loans Outstanding						
Current Account and other debt	12,689	12,617		12,689		
Internal Debt	98,388	101,437		98,727		
Total Debt	111,077	114,054	at 31 Mar 21	111,416	126,467	at 28 Feb 21
External Debt	110,000			110,000		
Other balances	1,077			1,416		
External Debt						
Term	110,000			110,000		
Current (due next 12 months)	-			-		
Total External Debt	110,000	120,000	at 31 Mar 21	110,000	120,000	at 28 Feb 21
Total Debt to Non Current Assets	7.09%			7.12%		
Unused committed Bank Facilities	30,000			30,000		
Interest Expense	3,536	3,390	Budget	3,148	3,013	Budget
Swap policy limits						
Existing debt	110,000			110,000		
New debt						
Debt repayments						
Plus expected funding for projects	-			-		
12 month debt	110,000	110,000	at 31 Mar 21	110,000	110,000	at 28 Feb 21
Current swaps	60,500			60,500		
Forward swaps	31,000			31,000		
Total Swaps	91,500			91,500		
[Current swaps / 12mth net debt]	55%	50% - 95%		55%	50% - 95%	
Weighted cost of finance	3.41%	3.80%		3.41%	3.80%	
Financial Ratios						
	Year to Date - 31 March 2021			Year to Date - 28 February 2021		
	Actual (\$000)	Policy Limits		Actual (\$000)	Policy Limits	
Liquid Funds						
Ratio (with unused facilities)	7.64	1.10	☑	4.73	1.10	
Ratio (without unused facilities)	5.10	1.10	☑	2.82	1.10	
Liquidity Ratio	161%	110%	☑	146%	110%	
Working Capital Current Ratio						
Ratio (with unused facilities)	9.01	1.25	☑	7.24	1.25	
Ratio (without unused facilities)	6.48	1.25	☑	5.33	1.25	

Assets						
	Actual (\$000)	Interest Rates		Actual (\$000)	Interest Rates	
Fixed Assets (cost less depreciation)	1,561,804			1,562,054		
Bank & Investments Accounts						
Bank Operating Accounts	15,898			11,485		
Investments and interest rates						
A.S.B Bank	-			-		
B.N.Z Bank	35,000	0.12-0.25%		25,000	0.12-0.25%	
A.N.Z Bank	7,894	1.00%		7,893	1.00%	
Westpac	-			-		
Total Bank & Investments	58,792		at 31 Mar 21	44,378		at 28 Feb 21
Outstanding Debtors						
Rates	10,597			33,887		
Water	1,970			1,660		
Other	2,786			2,886		
Total Debtors	15,352			38,433		

TREASURY REPORT FOR WESTERN BAY OF PLENTY DISTRICT COUNCIL PERIOD ENDING 31 MARCH 2021

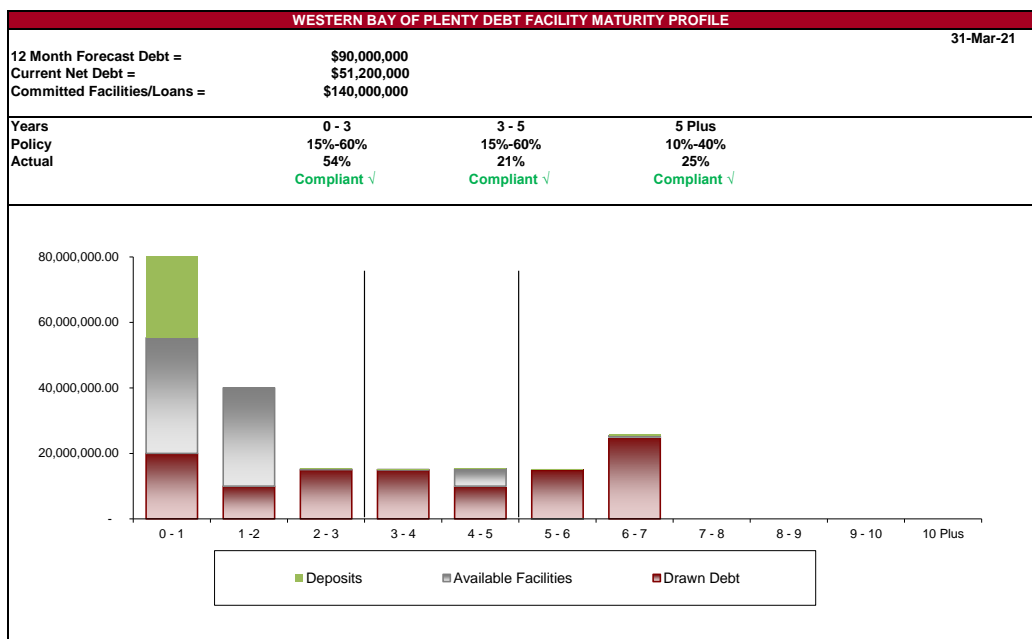
1. TOTAL DEBT AND LIQUIDITY

NZD	Available Facilities	Drawn Debt Current Month	Drawn Debt Last Month	Floating Rate Current Month	Floating Rate Last Month
Debenture Stock	\$110,000,000	\$110,000,000	\$110,000,000	1.8194%	1.8194%
Committed Facility	\$30,000,000	\$0	\$0	0.0000%	0.0000%
Total Facilities	\$140,000,000	\$110,000,000	\$110,000,000	1.8194%	1.8194%

Available Headroom **\$30,000,000** **\$30,000,000**

Monthly Weighted Average Interest Cost (Including Hedges & Margin) **3.4122%** **3.4122%**

2. CONSOLIDATED FUNDING RISK

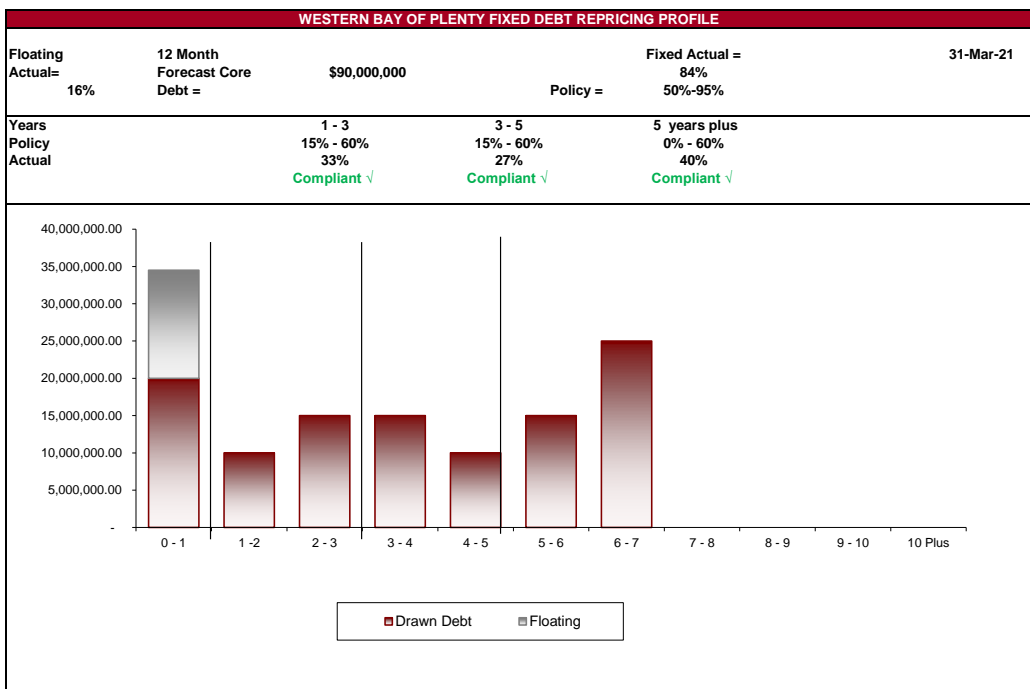


3. NEW ZEALAND INTEREST RATE MANAGEMENT

Type	Notional	Rate
Fixed Swaps	91,500,000	4.2822%
Floating Swaps	0	0.0000%
Total	91,500,000	

NZD RISK PROFILE

Policy NZD	Amount	Floating	Fixed 50%-95%	1 - 3 Yrs 15% - 60%	3 - 5 Yrs 15% - 60%	5 Yrs + 0% - 60%
Forecast 12 Mth Debt	\$90,000,000	16%	84%	33%	27%	40%



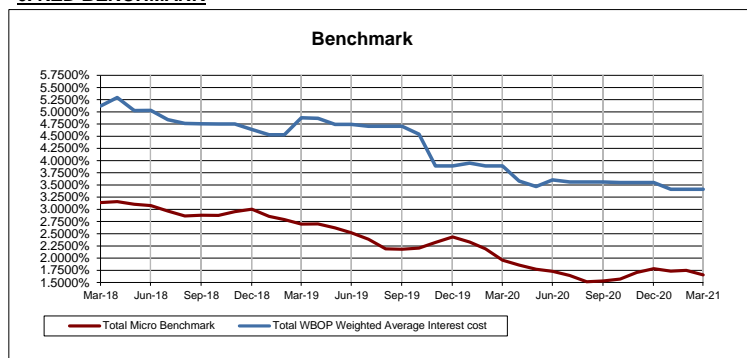
4. INVESTMENTS

Type	NZD Amount Current Month	NZD Amount Previous Month	Cpty
Short Term Operating account	\$15,895,974.56	\$11,598,872.25	ANZ
Term/Call Deposit	\$7,894,296.42	\$7,894,296.42	ANZ
Term/Call Deposit	\$35,000,000.00	\$25,000,000.00	BNZ
Term/Call Deposit	\$0.00	\$0.00	WPC
Term/Call Deposit	\$0.00	\$0.00	ASB
Term/Call Deposit	\$1,440,000.00	\$1,440,000.00	LGFA
TOTAL NZD AMOUNT	\$60,230,270.98	\$45,933,168.67	

5. COUNTERPARTY EXPOSURE

C'Party	Rating	Gross Limit MM	Swaps/Caps MM	Investments MM	Total	% of Gross Limit	C'party Exposure % of Total
ANZ	AA-	30	7.41	7.89	15.3	51.01%	28.23%
ASB	AA-	30	2.22	0.00	2.2	7.39%	4.09%
BNZ	AA-	30	1.42	35.00	36.4	121.40%	67.19%
WBC	AA-	30	0.26	0.00	0.3	0.87%	0.48%
		120	11.3	42.9	54.2	45.17%	100.00%

6. NZD BENCHMARK



	Current Month	Previous Month
WBOP Weighted Average Interest Cost (incl. Hedges)	3.4122%	3.4122%
Micro Benchmark	1.6542%	1.7474%

Composite Benchmark indicator rate	
Weighting	Rate
25%	Average 90-Day bank bill bid-rate for the reporting month
15%	5 year interest rate swap bid-rate, end of reporting month
15%	5 year interest rate swap bid-rate, 1 year ago
15%	5 year interest rate swap bid-rate, 2 years ago
15%	5 year interest rate swap bid-rate, 3 years ago
15%	5 year interest rate swap bid-rate, 4 years ago
100%	

7. COMPLIANCE

Western Bay of Plenty DC has no breaches of policy for the month of March 2021
Please note that BNZ has over 100% of Gross Limit in the Counterparty Exposure.

Western Bay of Plenty District Council

Current Account & Internal Loan Balances & Movements as at March 2021

Current Account Balances & Movements

Cost Centre	Description	Opening Bal 1 July 2020	Current A/C Mvmt's	Closing Balance @ March 2021
30*02*03	Community Rooding - Waihi Beach	506,778	-	506,778
30*02*04	Community Rooding - Katikati	66,414	-	66,414
30*02*05	Community Rooding - Omokoroa	214,768	-	214,768
30*02*06	Community Rooding - Te Puke	416,161	-	416,161
30*02*07	Community Rooding - Maketu	94,101	-	94,101
30*02*08	Structure Plans - Waihi Beach	2,178,350	-	2,178,350
30*02*09	Structure Plans - Katikati	328,390	-	328,390
30*02*10	Structure Plans - Omokoroa	(12,502,166)	-	(12,502,166)
30*02*11	Loc Connections - Omok Stg 2	(6,394,340)	-	(6,394,340)
30*02*12	Structure Plans - Te Puke	620,729	-	620,729
30*02*13	Regional Connections	1,812,513	-	1,812,513
30*02*14	Strategic Rooding	1,261,423	-	1,261,423
30*03*01	Asset Management	13,915,179	-	13,915,179
30*05*04	Cycling and Walking	(259,931)	-	(259,931)
40*01*01	Western Water	3,263,594	-	3,263,594
40*01*02	Central Water	(3,088,409)	-	(3,088,409)
40*01*03	Eastern Water	(7,736,840)	-	(7,736,840)
42*01*01	Community Development & Grants	-	-	-
42*02*03	Rural Fire	8,114	-	8,114
42*02*04	Western Bay Moana Rural Fire	-	-	-
42*03*03	Service Centre & Library - Katikati	-	-	-
42*03*04	Service Centre & Library - Te Puke	-	-	-
42*04*01	Pensioner Housing	(468,176)	-	(468,176)
42*04*03	Community Halls	64,373	-	64,373
42*06*01	Gibraltar Water Scheme	32,533	-	32,533
44*01*02	District Reserves	465,963	-	465,963
44*01*04	Swimming Pools	(196,571)	-	(196,571)
44*01*05	Reserves Catchment Protection	(943,546)	-	(943,546)
44*02*01	Harbour Structures	(13,157)	-	(13,157)
44*03*02	TECT All Terrain Park	2,681,051	-	2,681,051
50*03*02	Dog Control	59,870	-	59,870
60*01*01	Waihi Beach Wastewater	(2,570,413)	-	(2,570,413)
60*01*02	Katikati Wastewater	6,861,103	-	6,861,103
60*01*03	Omokoroa Wastewater	(12,654,683)	-	(12,654,683)
60*01*04	Te Puke Wastewater	10,787,707	-	10,787,707
60*01*05	Maketu Wastewater	(5,423,153)	-	(5,423,153)
60*01*06	Ongare Wastewater	(1,062,809)	-	(1,062,809)
60*02*02	Western Solid Waste	1,305,072	-	1,305,072
60*02*03	Eastern Solid Waste	796,944	-	796,944
60*02*04	Omokoroa Solid Waste	(563,181)	-	(563,181)
61*01*01	Stormwater Network - Growth Communities	6,043,555	-	6,043,555
61*01*02	Waihi Beach Coastal Protection	289,126	-	289,126
61*02*01	Stormwater Network - Small Settlements	57,150	-	57,150
61*03*01	Stormwater Network - Minden	14,634	-	14,634
64*01*05	Natural Environment Support	1,914	-	1,914
64*01*07	Waihi District Drainage - Drains	26,951	-	26,951
64*01*08	Waihi District Drainage - Pumps	44,994	-	44,994
70*01*01	Economic Support	506,802	-	506,802
70*02*01	Land Drainage - Drains	-	-	-
70*02*02	Land Drainage - Pumps	-	-	-
70*02*03	Community Infrastruc. Support	-	-	-
80*04*03	Broadlands Property	(1,091)	-	(1,091)
80*04*04	Emerton Rd Property	(461,290)	-	(461,290)
80*04*05	Capamagian Drive Property	(1,297,332)	-	(1,297,332)
80*04*06	Turnbull Property	1,253,319	-	1,253,319
80*04*08	Strategic Property	(12,673,561)	-	(12,673,561)
80*04*09	Te Tumu	(333,385)	-	(333,385)
80*06*01	Treasury Operations	-	-	-
		(12,689,458)	-	(12,689,458)

Internal Loan Balances & Movements

Opening Bal 1 July 2020	Advances	Repayment	Closing Balance @ March 2021	Net Position
-	-	-	-	506,778
-	-	-	-	66,414
-	-	-	-	214,768
-	-	-	-	416,161
(25,184)	-	18,888	(6,296)	87,805
-	-	-	-	2,178,350
-	-	-	-	328,390
-	-	-	-	(12,502,166)
-	-	-	-	(6,394,340)
-	-	-	-	620,729
-	-	-	-	1,812,513
-	-	-	-	1,261,423
-	-	-	-	13,915,179
-	-	-	-	(259,931)
(5,458,832)	-	301,877	(5,156,955)	(1,893,362)
(4,539,458)	-	214,316	(4,325,142)	(7,413,551)
(8,545,758)	-	400,989	(8,144,769)	(15,881,609)
-	-	-	-	-
-	-	-	-	8,114
-	-	-	-	-
(2,127,535)	-	45,094	(2,082,442)	(2,082,442)
-	-	-	-	-
(248,852)	-	12,564	(236,288)	(704,463)
(357,708)	-	54,171	(303,536)	(239,163)
-	-	-	-	32,533
(28,744)	-	10,578	(18,166)	447,797
-	-	-	-	(196,571)
-	-	-	-	(943,546)
-	-	-	-	(13,157)
-	-	-	-	2,681,051
-	-	-	-	59,870
(11,587,509)	-	601,548	(10,985,962)	(13,556,374)
(3,858,935)	-	176,949	(3,681,987)	3,179,116
(25,786,480)	-	310,511	(25,475,969)	(38,130,653)
(1,535,868)	-	60,731	(1,475,137)	9,312,570
(11,184)	-	333	(10,851)	(5,434,004)
(889,665)	-	18,280	(871,384)	(1,934,193)
-	-	-	-	1,305,072
-	-	-	-	796,944
(6,283)	-	141	(6,142)	(569,324)
(23,122,211)	-	684,071	(22,438,140)	(16,394,585)
(1,145,612)	-	38,406	(1,107,206)	(818,081)
(1,803,437)	-	52,070	(1,751,367)	(1,694,217)
-	-	-	-	14,634
-	-	-	-	1,914
-	-	-	-	26,951
-	-	-	-	44,994
-	-	-	-	506,802
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(1,091)
(0)	-	-	(0)	(461,290)
-	-	-	-	(1,297,332)
-	-	-	-	1,253,319
(9,176,591)	-	-	(9,176,591)	(21,850,152)
-	-	-	-	(333,385)
-	-	-	-	-
(101,436,500)	-	3,048,245	(98,388,255)	(111,077,714)

5 Year Net Debt Trend - Qtr on Qtr (Mar 2017 - Mar 2021)

