

CLAUSE **CL15**

TITLE **Investments at 30 November 2019, 31 December 2019 and 31 January 2020**

FROM **Vanessa Edwards, Finance Manager**

TRIM REF **20/27796**

SUMMARY

This report details Council's investments performance for the months of November 2019, December 2019 and January 2020.

RECOMMENDATION

The report be noted by Council.

REPORT

In accordance with Section 212 of the Local Government (General) Regulation 2005, it is hereby certified that the investments detailed in the attached schedules have been made in accordance with Section 625 of the Local Government Act 1993, it's Regulations and Council's current Investment Policy and Strategy which were last amended and adopted on 13 February 2018. Management is striving to continuously build up cash and investment returns to ensure ongoing financial stability and liquidity into the future.

OPTIONS

Not Applicable

POLICY IMPLICATIONS

The actions taken comply with Council's current investment policy and strategy, and the Ministerial Order as provided by the NSW Office of Local Government.

FINANCIAL IMPLICATIONS

As at the 31 January 2020, Council had received a total of \$501,884 in interest coupon payments and a further \$25,261 interest from its ordinary trading account, giving a total cash received of \$527,145 YTD.

The overall net interest income recognised (when combining both interest received and mark-to-market entries) at 31 January 2020 was \$870,747 against the YTD budget of \$748,405.

Council has a mix of growth and fixed income investments in the portfolio and at certain times growth assets are exposed to equity market fluctuations (volatility) and may incur valuation reductions that can impact on reported profits. These are long term assets and Council has no intention of divesting any of these assets when at cyclical lows and therefore

crystallising any losses. Invariably, these assets will regain and increase their values and they make up a valuable diversity in Council's portfolio overall.

Council is operating in an ongoing, very low interest rate environment and it is difficult to obtain higher yields on investments whilst maintaining appropriate diversification of investments. Council's investments are diversified primarily across TCorp Managed Funds, term deposits, fixed income bonds and floating rate notes which are largely determined by the restrictions in place by the Minister's Order. Council's investments are diversified, all highly rated and of high quality.

LEGAL/STATUTORY IMPLICATIONS

Section 212 of the Local Government (General) Regulation 2005.

ENVIRONMENTAL IMPLICATIONS

Not Applicable

COMMUNITY IMPLICATIONS

Not Applicable

LINK TO STRATEGIC PLAN

This item links to Council's Strategic Plan item: C1- Provide clear and transparent communication to the local community on matters in which it is concerned.

CONSULTATION

Senior Management Team

ATTACHMENTS

- (a) Statement of Funds at 30 November 2019
- (b) Statement of Funds at 31 December 2019
- (c) Statement of Funds at 31 January 2020
- (d) Investment Returns Analysis

(a) Statement of Funds at 30 November, 2019

GRIFFITH CITY COUNCIL
Statement of Funds Invested under Section 625 of the Local Government Act, 1993
30 November, 2019

INVESTMENTS

Type	Valuation Balance as at 30 November, 2019	Cash Flows for November, 2019	Non-Cash Valuation Adj's November, 2019	Fund as a Percentage of Total Investments
Cash/Managed Funds				
1.740% BT Institutional Cash Fund	7,662.11	10.88		0.02%
6.520% Perpetual Credit Income Fund	883,515.87	2,831.32		1.79%
2.920% NSW Treasury Corp -Long Term Growth Fund	1,436,663.12		31,141.88	2.91%
2.000% NSW Treasury Corp -Medium Term Growth Fund	5,104,857.84		57,222.28	10.33%
0.570% NSW Treasury Corp - Short Term Income Fund	3,526,901.38	5,146.80	(501.20)	7.13%
0.440% NSW Treasury Corp -Cash Fund	7,462,008.42	9,348.37	(1,837.78)	15.09%
1.150% UBS Cash Management Trust Account	63,331.57	87.35		0.13%
N/A ANZ Premium Business Saver Account	7,534.92	(8.92)		0.02%
Term Deposits				
2.200% AMP 272 Day Term Deposit Maturity 13/3/20	2,000,000.00	3,956.12		4.05%
3.000% BOQ 3 Yr Term Deposit Maturity 6/12/21	1,051,043.19	2,627.59		2.13%
2.750% ING 2 Yr Term Deposit Maturity 7/12/20	1,500,000.00	3,437.50		3.03%
2.750% NAB Bank 1 Yr Term Deposit Maturity 5/12/19	500,000.00	1,130.11		1.01%
2.800% NAB 2 Yr Term Deposit Maturity 2/11/2020	2,000,000.00	5,057.06		4.05%
1.800% Westpac Bank Notice Saver 60 Day	2,238,248.18	3,153.62		4.53%
1.750% Westpac Bank Notice Saver 31 Day	5,025,257.98	6,881.36		10.16%
2.860% Westpac Fixed/Floating Deposit Maturity 31/8/22	1,000,000.00	4,669.17		2.02%
2.600% St George 1 Yr Term Deposit Maturity 3/5/20	1,500,000.00	3,250.00		3.03%
Bank Bonds/Floating Rate Notes				
2.070% Bendigo Adelaide Bank Floating Rate Note Maturity 18/08/20	1,004,630.00	5,160.82	(280.00)	2.03%
2.070% Bendigo Adelaide Bank Floating Rate Note Maturity 18/08/20	1,004,630.00	5,160.82	(280.00)	2.03%
2.477% Rabo Bank Floating Rate Note Maturity 4/3/21	1,519,200.00		(1,260.00)	3.07%
2.017% ANZ Bank Floating Rate Note Maturity 7/4/21	1,010,470.00		(170.00)	2.04%
2.065% CBA 5 Year FRN Maturity 12/7/21	1,012,050.00		(220.00)	2.05%
2.115% Westpac Domestic Note Bond Maturity 7/2/2022	1,518,825.00	7,995.68	(510.00)	3.07%
1.995% AMP Bank Floating Rate Note Maturity 30/03/22	992,390.00		240.00	2.01%
2.833% NAB Floating Rate Note Maturity 26/9/2023	1,512,450.00		1,650.00	3.06%
1.972% CBA 5 Year FRN Maturity 11/01/24	1,017,130.00		670.00	2.06%
2.023% Westpac FRN Maturity 24/04/24	1,016,990.00		90.00	2.06%
1.250% NSW Treasury Corp Bond 20/3/25	2,522,000.00		16,050.00	5.10%
Total	49,437,789.58	69,895.65	102,005.18	100%

Balance of Griffith City Council Trading Bank Account 10,199,934.89
 GHFL/HHF Bank Account Balances 73,390.37

Total Cash & Investments at 30/11/19 **59,711,114.84**

INTEREST

Interest Analysis	Actual
Accumulated Interest Brought Forward	454,815.93
Interest received on Griffith Health Facilities Limited Bank Accounts YTD November 2019	22.17
Interest received on CUC Invested Grant Monies YTD November 2019	3,736.81
Investment Interest for the month of November 2019	171,255.26
Current Bank Account Interest for the month of November 2019	2,397.20
Total Interest YTD November 2019	632,227.37
Original Estimated Investment Income YTD November 2019	534,575.00
Over (Under) Original Estimate	97,652.37
Percentage of Original Estimate Raised	118.27%
Percentage of Year at Report Date	41.67%

Fund	Original Estimate YTD	Actual YTD	Percentage of Original Estimate
Ordinary Fund	214,585.00	307,946.84	143.51%
Water Fund	177,075.00	191,884.15	108.36%
Sewerage Fund	75,000.00	70,459.68	93.95%
Waste Fund	66,665.00	60,757.38	91.14%
Western Riverina Library	1,250.00	1,179.32	94.35%
Total	534,575.00	632,227.37	118.27%
Percentage of Year at Report Date		41.67%	

In accordance with Section 212 of the Local Government (General) Regulation 2005, I hereby certify that the investments detailed above are made in accordance with the Local Government Act, its regulations and Council's investment policy adopted on 13 February, 2018.



RESPONSIBLE ACCOUNTING OFFICER

(b) Statement of Funds at 31 December, 2019

GRIFFITH CITY COUNCIL
Statement of Funds Invested under Section 625 of the Local Government Act, 1993
31 December, 2019

INVESTMENTS

Type	Valuation Balance as at 31 December, 2019	Cash Flows for December, 2019	Non-Cash Valuation Adj's December, 2019	Fund as a Percentage of Total Investments
Cash/Managed Funds				
1.740% BT Institutional Cash Fund	7,675.16	13.05		0.02%
6.520% Perpetual Credit Income Fund	884,445.82	929.95		1.81%
2.920% NSW Treasury Corp -Long Term Growth Fund	1,432,539.13		(4,123.99)	2.93%
2.000% NSW Treasury Corp -Medium Term Growth Fund	5,082,333.65		(22,524.19)	10.40%
0.570% NSW Treasury Corp - Short Term Income Fund	3,530,843.43	2,332.53	1,609.52	7.22%
0.440% NSW Treasury Corp -Cash Fund	7,467,971.08	5,402.64	560.02	15.27%
1.150% UBS Cash Management Trust Account	63,415.20	83.63		0.13%
N/A ANZ Premium Business Saver Account	7,525.60	(9.32)		0.02%
Term Deposits				
2.200% AMP 272 Day Term Deposit Maturity 13/3/20	2,000,000.00	3,616.39		4.09%
3.000% BOQ 3 Yr Term Deposit Maturity 6/12/21	1,051,043.19	2,642.00		2.15%
2.750% ING 2 Yr Term Deposit Maturity 7/12/20	1,500,000.00	3,437.50		3.07%
2.800% NAB 2 Yr Term Deposit Maturity 2/11/2020	2,000,000.00	4,673.06		4.09%
1.800% Westpac Bank Notice Saver 60 Day	2,241,584.08	3,335.90		4.58%
1.750% Westpac Bank Notice Saver 31 Day	5,032,527.39	7,269.41		10.29%
2.860% Westpac Fixed/Floating Deposit Maturity 31/8/22	1,000,000.00	-		2.05%
2.600% St George 1 Yr Term Deposit Maturity 3/5/20	1,500,000.00	3,250.00		3.07%
Bank Bonds/Floating Rate Notes				
2.070% Bendigo Adelaide Bank Floating Rate Note Maturity 18/08/20	1,003,950.00		(680.00)	2.05%
2.070% Bendigo Adelaide Bank Floating Rate Note Maturity 18/08/20	1,003,950.00		(680.00)	2.05%
2.477% Rabo Bank Floating Rate Note Maturity 4/3/21	1,518,240.00	9,263.68	(960.00)	3.11%
2.017% ANZ Bank Floating Rate Note Maturity 7/4/21	1,009,810.00		(660.00)	2.07%
2.065% CBA 5 Year FRN Maturity 12/7/21	1,011,650.00		(400.00)	2.07%
2.115% Westpac Domestic Note Bond Maturity 7/2/2022	1,518,015.00		(810.00)	3.10%
1.995% AMP Bank Floating Rate Note Maturity 30/03/22	992,840.00	4,973.84	450.00	2.03%
2.833% NAB Floating Rate Note Maturity 26/9/2023	1,512,450.00	7,107.90	-	3.09%
1.972% CBA 5 Year FRN Maturity 11/01/24	1,017,690.00		560.00	2.08%
2.023% Westpac FRN Maturity 24/04/24	1,016,990.00		-	2.08%
1.250% NSW Treasury Corp Bond 20/3/25	2,483,250.00		(38,750.00)	5.08%
Total	48,890,738.73	58,322.16	(66,408.64)	100%

Balance of Griffith City Council Trading Bank Account	7,682,501.82
GHFL/HHF Bank Account Balances	73,392.74

Total Cash & Investments at 31/12/19 **56,646,633.29**

INTEREST

Interest Analysis	Actual
Accumulated Interest Brought Forward	628,468.39
Interest received on Griffith Health Facilities Limited Bank Accounts YTD December 2019	24.54
Interest received on CUC Invested Grant Monies YTD December 2019	4,418.78
Investment Interest for the month of December 2019	(8,768.45)
Current Bank Account Interest for the month of December 2019	2,009.00
Total Interest YTD December 2019	626,152.26
Original Estimated Investment Income YTD December 2019	534,575.00
Over (Under) Original Estimate	91,577.26
Percentage of Original Estimate Raised	117.13%
Percentage of Year at Report Date	50.00%

Fund	Original Estimate YTD	Actual YTD	Percentage of Original Estimate
Ordinary Fund	214,585.00	302,265.94	140.86%
Water Fund	177,075.00	191,650.89	108.23%
Sewerage Fund	75,000.00	70,374.03	93.83%
Waste Fund	66,665.00	60,683.52	91.03%
Western Riverina Library	1,250.00	1,177.88	94.23%
Total	534,575.00	626,152.26	117.13%
Percentage of Year at Report Date		50.00%	

In accordance with Section 212 of the Local Government (General) Regulation 2005, I hereby certify that the investments detailed above are made in accordance with the Local Government Act, its regulations and Council's investment policy adopted on 13 February, 2018.



RESPONSIBLE ACCOUNTING OFFICER

(c) Statement of Funds at 31 January, 2020

GRIFFITH CITY COUNCIL
Statement of Funds Invested under Section 625 of the Local Government Act, 1993
31 January, 2020

INVESTMENTS

Type	Valuation Balance as at 31 January, 2020	Cash Flows for January, 2020	Non-Cash Valuation Adj's January, 2020	Fund as a Percentage of Total Investments
Cash/Managed Funds				
1.740% BT Institutional Cash Fund	7,691.15	15.99		0.02%
6.520% Perpetual Credit Income Fund	888,459.11	4,013.29		1.81%
2.920% NSW Treasury Corp -Long Term Growth Fund	1,470,528.63		37,989.50	3.00%
2.000% NSW Treasury Corp -Medium Term Growth Fund	5,171,395.37		89,061.72	10.53%
0.570% NSW Treasury Corp - Short Term Income Fund	3,536,409.97	3,633.99	1,932.55	7.20%
0.440% NSW Treasury Corp -Cash Fund	7,476,247.51	7,796.06	480.37	15.23%
1.150% UBS Cash Management Trust Account	63,501.84	86.64		0.13%
N/A ANZ Premium Business Saver Account	7,516.86	(8.74)		0.02%
Term Deposits				
2.200% AMP 272 Day Term Deposit Maturity 13/3/20	2,000,000.00	3,616.39		4.07%
3.000% BOQ 3 Yr Term Deposit Maturity 6/12/21	1,051,043.19	2,642.00		2.14%
2.750% ING 2 Yr Term Deposit Maturity 7/12/20	1,500,000.00	3,437.50		3.06%
2.800% NAB 2 Yr Term Deposit Maturity 2/11/2020	2,000,000.00	4,673.06		4.07%
1.800% Westpac Bank Notice Saver 60 Day	2,244,820.55	3,236.47		4.57%
1.750% Westpac Bank Notice Saver 31 Day	5,039,579.82	7,052.43		10.26%
2.860% Westpac Fixed/Floating Deposit Maturity 31/8/22	1,000,000.00			2.04%
2.600% St George 1 Yr Term Deposit Maturity 3/5/20	1,500,000.00	3,250.00		3.06%
Bank Bonds/Floating Rate Notes				
2.070% Bendigo Adelaide Bank Floating Rate Note Maturity 18/08/20	1,003,530.00		(420.00)	2.04%
2.070% Bendigo Adelaide Bank Floating Rate Note Maturity 18/08/20	1,003,530.00		(420.00)	2.04%
2.477% Rabo Bank Floating Rate Note Maturity 4/3/21	1,517,715.00		(525.00)	3.09%
2.017% ANZ Bank Floating Rate Note Maturity 7/4/21	1,009,810.00	5,032.17	-	2.06%
2.065% CBA 5 Year FRN Maturity 12/7/21	1,011,590.00	5,148.00	(60.00)	2.06%
2.115% Westpac Domestic Note Bond Maturity 7/2/2022	1,518,465.00		450.00	3.09%
1.995% AMP Bank Floating Rate Note Maturity 30/03/22	993,420.00		580.00	2.02%
2.833% NAB Floating Rate Note Maturity 26/9/2023	1,514,550.00		2,100.00	3.08%
1.972% CBA 5 Year FRN Maturity 11/01/24	1,018,490.00	5,078.00	800.00	2.07%
2.023% Westpac FRN Maturity 24/04/24	1,018,670.00	5,099.82	1,680.00	2.07%
1.250% NSW Treasury Corp Bond 20/3/25	2,529,250.00		46,000.00	5.15%
Total	49,096,214.00	63,803.07	179,649.14	100%

Balance of Griffith City Council Trading Bank Account	4,716,920.23
GHFL/HHF Bank Account Balances	73,395.03

Total Cash & Investments at 31/01/20 **53,886,529.26**

INTEREST

Interest Analysis	Actual
Accumulated Interest Brought Forward	621,708.94
Interest received on Griffith Health Facilities Limited Bank Accounts YTD January 2020	26.83
Interest received on CUC Invested Grant Monies YTD January 2020	4,418.78
Investment Interest for the month of January 2020	243,452.21
Current Bank Account Interest for the month of January 2020	1,140.02
Total Interest YTD January 2020	870,746.78
Original Estimated Investment Income YTD January	748,405.00
Over (Under) Original Estimate	122,341.78
Percentage of Original Estimate Raised	116.35%
Percentage of Year at Report Date	58.33%

Fund	Original Estimate YTD	Actual YTD	Percentage of Original Estimate
Ordinary Fund	300,419.00	422,128.75	140.51%
Water Fund	247,905.00	265,457.45	107.08%
Sewerage Fund	105,000.00	97,475.74	92.83%
Waste Fund	93,331.00	84,053.31	90.06%
Western Riverina Library	1,750.00	1,631.53	93.23%
Total	748,405.00	870,746.78	116.35%
Percentage of Year at Report Date		58.33%	

In accordance with Section 212 of the Local Government (General) Regulation 2005, I hereby certify that the investments detailed above are made in accordance with the Local Government Act, its regulations and Council's investment policy adopted on 13 February, 2018.



RESPONSIBLE ACCOUNTING OFFICER

(d) Investments Returns Analysis - 12 month Annualised Yields

INVESTMENT RETURNS ANALYSIS - 12 MONTH ANNUALISED YIELDS			
Month	Average Funds Invested for the month	Interest Earned	Yield %
Feb-19	\$47,079,646	\$368,960	0.78%
Mar-19	\$47,309,384	\$209,033	0.44%
Apr-19	\$47,486,598	\$261,822	0.55%
May-19	\$48,320,604	\$6,759	0.01%
Jun-19	\$47,802,605	\$330,418	0.69%
Jul-19	\$46,637,995	\$207,370	0.44%
Aug-19	\$46,716,295	\$44,773	0.10%
Sep-19	\$46,742,849	\$110,181	0.24%
Oct-19	\$46,786,900	\$72,777	0.16%
Nov-19	\$48,120,087	\$171,255	0.36%
Dec-19	\$49,164,264	-\$8,768	-0.02%
Jan-20	\$48,993,476	\$243,452	0.50%
12 Month Annualised Performance			4.25%
Current Year Performance Jul 19 - Jun 20			1.77%
(Cash basis only, net of fees)			