
Investments - October 2024

Responsible Officer: Group Manager Organisational Services (Helen McNeil)

Recommendation

That Council receive and note the Investments for October 2024.

Background

Clause 212 of the *Local Government (General) Regulation 2021* ('Regulation') and Council's 'Investments' policy require that a report detailing Council's investments be provided. This report has been prepared as at 31 October 2024.

Finance Report

| BANK ACCOUNT SUMMARY | TOTAL |
|--|------------------|
| Cheque Account Balance | \$835,304 |
| Weel Account Balance – Cuscal Ltd (Pre-paid Corporate Cards) | \$38,470 |
| TOTAL | \$873,774 |

| INVESTMENT SUMMARY | TOTAL |
|--|--|
| Business Online Saver Account Balance | \$7,134,223 |
| Term Deposits with Institutions not supporting the Fossil Fuel Industry <i>The assessment of Ethical Financial Institutions is undertaken using www.marketforces.org.au which is an affiliate project of the Friends of the Earth Australia (Refer: Graph C4 - Attachment C).</i> | \$1,500,000 4.82 % of current holdings |
| Other Term Deposits | \$22,500,000 |
| Total Funds Invested <i>Excluding Cheque Account and Weel Balance</i> | \$31,134,223 |

| OTHER INVESTMENT INFORMATION | TOTAL |
|---|-----------|
| <p>Interest Earned</p> <p><i>Interest earned compared to the original budget is \$395,487 above the pro-rata budget. (Refer: Attachment A).</i></p> | \$132,544 |
| <p>Weighted Average Return</p> <p><i>This represents a decrease of 9 basis points compared from the September 2024 result (4.47%) and is 4 basis point below Council's benchmark (the average 90-day BBSW rate of 4.42%) (Refer: Graph C2 - Attachment C).</i></p> | 4.38% |
| <p>RBA Cash Rate</p> | 4.35% |
| <p>The 90-day average bank bill swap rate (BBSW)</p> | 4.42% |

At the RBA's 24th September 2024 meeting the board decided to leave the cash rate unchanged at 4.35%.

Governance

- **Legal**

In accordance with section 212(1)(b) of the Regulation, the Responsible Accounting Officer (currently the Finance Manager) certifies the investments identified in this report have been made in accordance with section 625 of the *Local Government Act 1993*, section 212 of the Regulation, and the provisions of Council's 'Investments' policy.

Conclusion

A report on investments is required to be submitted to Council. As at 31 October 2024, investments total \$31,134,223 and the average rate of return is estimated at 4.38%.

Attachments

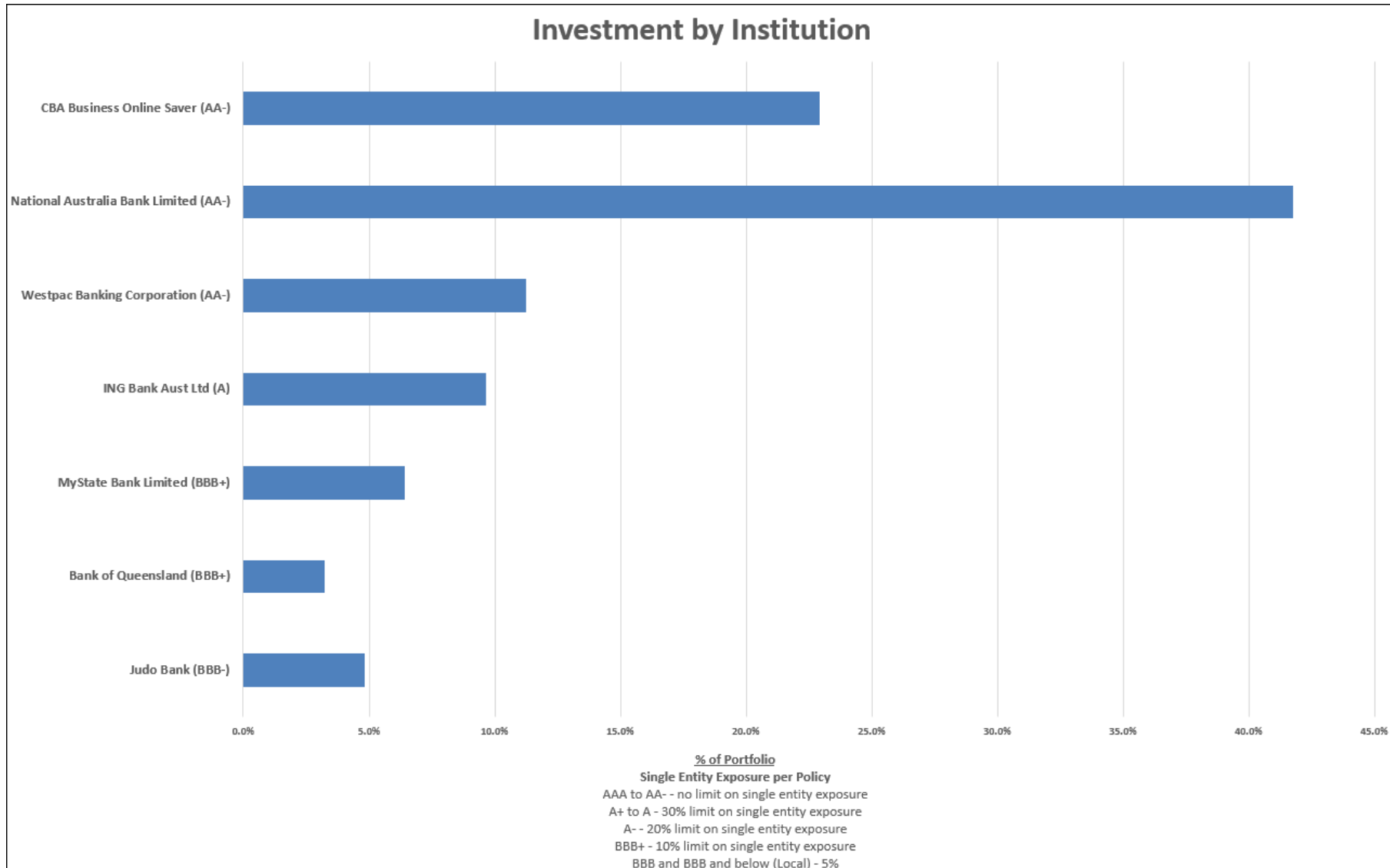
- A. Investment analysis
- B. Investment by Institution
- C. Total funds invested - comparisons
- D. Summary of indebtedness

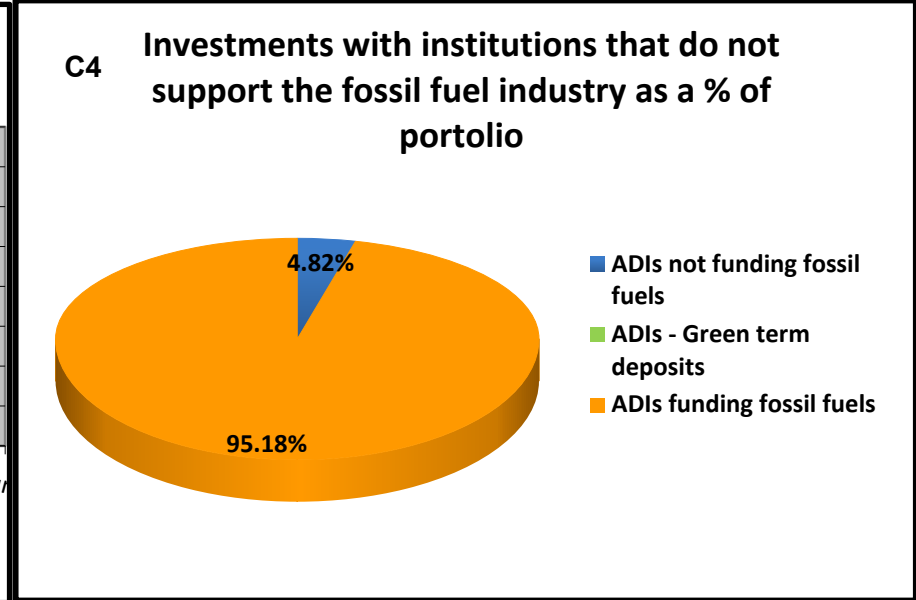
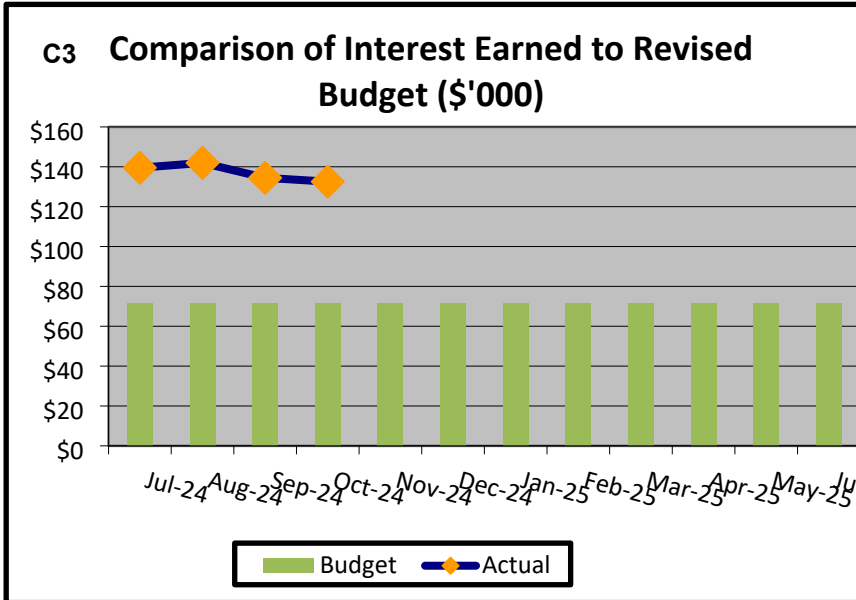
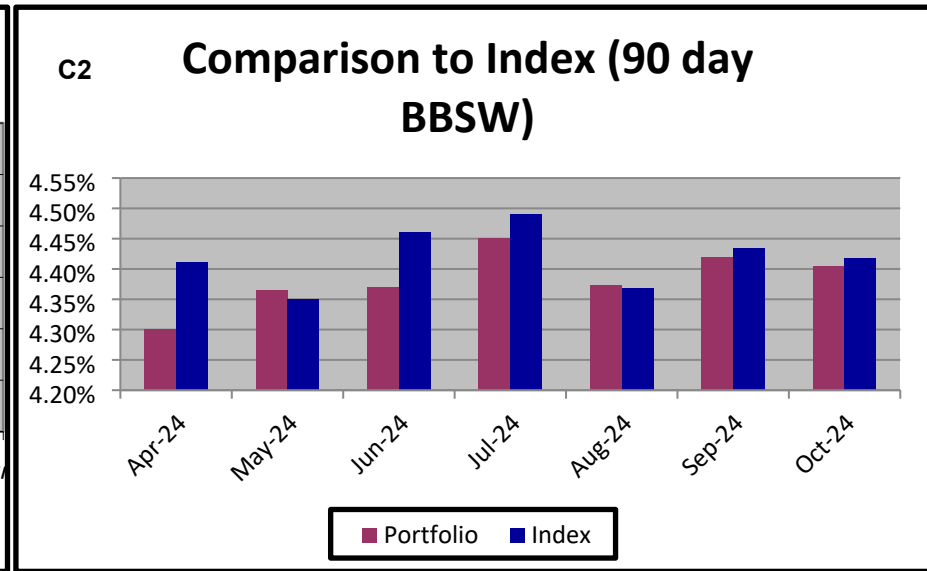
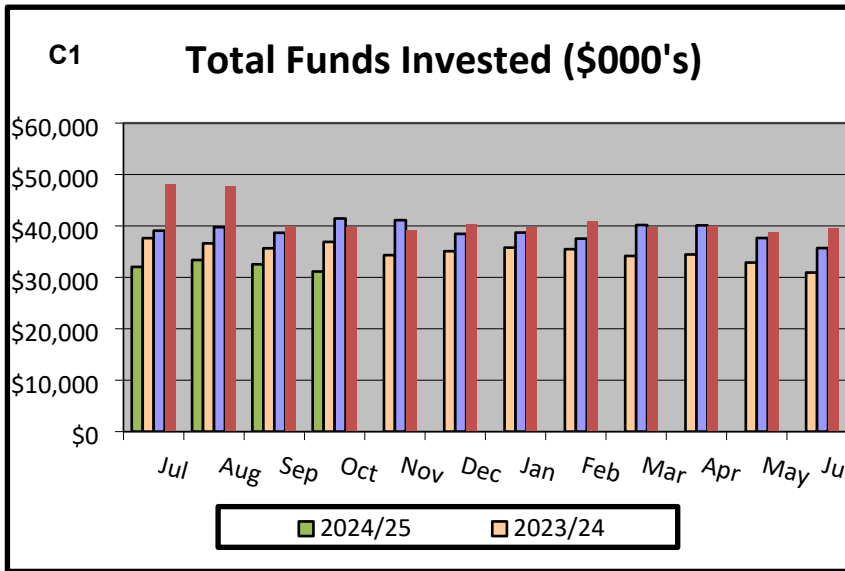
Investment analysis report

Attachment A

| Investment Analysis | | | | | | | | | | |
|--|------------------------------|--------------|---------------------|----------------|---------------|----------------|----------------------|-----------------------------------|--------------------|-----------------------|
| Funds Invested With | S & P Local Long Term Rating | Product Name | Not Fossil Fuel ADI | Lodgement Date | Maturity Date | % of Portfolio | 31 Oct Balance | Rate of Return | Monthly Interest | Year-to-Date Interest |
| CBA Business Online Saver | AA- | CBA-BOS | No | At call | | 22.91 | 7,134,223.25 | 1.95 | 28,357.50 | 100,360.77 |
| Westpac Banking Corporation | AA- | TD | Yes | 28/11/2023 | 3/12/2024 | 4.82 | 1,500,000.00 | 5.44 | 6,930.41 | 27,498.08 |
| Bank of Queensland | BBB+ | TD | No | 18/6/2024 | 21/1/2025 | 3.21 | 1,000,000.00 | 5.20 | 4,416.44 | 17,523.29 |
| MyState Bank Limited | BBB+ | TD | No | 19/6/2024 | 17/12/2024 | 6.42 | 2,000,000.00 | 5.17 | 8,781.92 | 34,844.38 |
| National Australia Bank Limited | AA- | TD | No | 25/6/2024 | 7/1/2025 | 3.21 | 1,000,000.00 | 5.12 | 4,348.49 | 17,253.70 |
| ING Bank Aust Ltd | A | TD | No | 25/6/2024 | 1/7/2025 | 3.21 | 1,000,000.00 | 5.25 | 4,458.90 | 17,691.78 |
| National Australia Bank Limited | AA- | TD | No | 2/7/2024 | 14/1/2025 | 4.82 | 1,500,000.00 | 5.32 | 6,777.53 | 26,672.88 |
| ING Bank Aust Ltd | A | TD | No | 2/7/2024 | 8/7/2025 | 6.42 | 2,000,000.00 | 5.43 | 9,223.56 | 36,299.18 |
| Westpac Banking Corporation | AA- | TD | No | 18/7/2024 | 19/11/2024 | 6.42 | 2,000,000.00 | 4.99 | 8,476.16 | 28,983.01 |
| National Australia Bank Limited | AA- | TD | No | 6/8/2024 | 5/11/2024 | 6.42 | 2,000,000.00 | 4.92 | 8,357.26 | 23,454.25 |
| National Australia Bank Limited | AA- | TD | No | 22/8/2024 | 26/11/2024 | 6.42 | 2,000,000.00 | 4.92 | 8,357.26 | 19,140.82 |
| National Australia Bank Limited | AA- | TD | No | 17/9/2024 | 1/4/2025 | 4.82 | 1,500,000.00 | 4.97 | 6,331.64 | 9,191.10 |
| National Australia Bank Limited | AA- | TD | No | 17/9/2024 | 23/9/2025 | 3.21 | 1,000,000.00 | 4.87 | 4,136.16 | 6,004.11 |
| National Australia Bank Limited | AA- | TD | No | 24/9/2024 | 15/4/2025 | 4.82 | 1,500,000.00 | 4.97 | 6,331.64 | 7,761.37 |
| Judo Bank | BBB- | TD | No | 15/10/2024 | 22/4/2025 | 4.82 | 1,500,000.00 | 5.05 | 3,528.08 | 3,528.08 |
| National Australia Bank Limited | AA- | TD | No | 22/10/2024 | 29/4/2025 | 3.21 | 1,000,000.00 | 5.02 | 1,375.34 | 1,375.34 |
| National Australia Bank Limited | AA- | TD | No | 29/10/2024 | 6/3/2025 | 4.82 | 1,500,000.00 | 4.97 | 612.74 | 612.74 |
| MATURED TDs | | | | | | | | | 11,742.74 | 171,110.68 |
| | | | | | | 100.00 | 31,134,223.25 | 4.38 | 132,543.80 | 549,305.56 |
| Total Investment Holdings | | | | | | 100.00 | 31,134,223.25 | | 132,543.80 | 549,305.56 |
| | | | | | | | | | Total YTD Interest | 549,305.56 |
| Deposits with Australian Deposit-taking institutions (ADI) are Government. | | | | | | | | Budget Interest @ 31 October 2024 | 286,167.00 | |
| Guaranteed for balances totalling up to \$250,000 per customer, per institution. | | | | | | | | Budget variance | 263,138.56 | |

Attachment B





Attachment D

Summary of indebtedness

| Information | Loan #2 | Loan #3 | Loan #4 | Loan #5 | Loan #6 | Loan #7 | Loan #8 | Total |
|------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Institution | CBA | CBA | Dexia | NAB | NAB | Tcorp | Westpac | |
| Total Loan Funding | \$ 3,000,000 | \$ 10,000,000 | \$ 10,000,000 | \$ 10,000,000 | \$ 10,000,000 | \$ 13,500,000 | \$ 30,000,000 | \$ 56,550,000 |
| Loan Facility Drawdown | N/A | N/A | N/A | N/A | N/A | N/A | \$ 50,000 | \$ 50,000 |
| Date Obtained | 31-May-05 | 31-May-06 | 21-Feb-07 | 31-May-07 | 25-Sep-07 | 7-Jun-21 | 18-Oct-24 | |
| Term (Years) | 20 | 20 | 20 | 20 | 20 | 20 | 20* | |
| Interest Rate | 6.25% | 6.37% | 6.40% | 6.74% | 6.85% | 2.68% | 5.39% | |
| Line Fee Interest Rate | N/A | N/A | N/A | N/A | N/A | N/A | 0.40% | |
| Date Due | 31-May-25 | 31-May-26 | 21-Feb-27 | 31-May-27 | 25-Sep-27 | 7-Jun-41 | TBD* | |
| Annual Commitment | \$ 264,921 | \$ 891,595 | \$ 893,507 | \$ 917,390 | \$ 925,933 | \$ 876,390 | TBD* | \$ 4,769,735 |
| Principal Repaid LTD | \$ 2,746,968 | \$ 8,349,888 | \$ 7,965,426 | \$ 7,528,748 | \$ 7,517,163 | \$ 1,596,420 | \$ - | \$ 35,704,613 |
| Interest Incurred LTD | \$ 2,286,525 | \$ 7,698,825 | \$ 7,673,589 | \$ 8,066,876 | \$ 8,223,692 | \$ 1,032,750 | \$ - | \$ 34,982,256 |
| Principal Outstanding | \$ 253,032 | \$ 1,650,112 | \$ 2,034,574 | \$ 2,471,252 | \$ 2,482,838 | \$ 11,903,580 | \$ 50,000 | \$ 20,845,388 |
| Interest Outstanding | \$ 11,889 | \$ 133,078 | \$ 199,571 | \$ 301,614 | \$ 306,850 | \$ 2,995,054 | TBD* | \$ 3,948,057 |

** Loan 8 is due to be repaid over a 20 year period once fully drawdown. The interest rate above applies to the principal amount drawdown, while the line fee applies to the approved loan funding of \$30M. Interest is repaid on a quarterly basis. Due to the structure of this loan facility, the annual committment and total interest outstanding are not known at this time.*