

AGENDA

Finance and Governance Committee

Monday, 12 August 2024

6:00 PM

Waratah Room

Georges River Civic Centre

Hurstville



OATH OF OFFICE OR AFFIRMATION OF OFFICE

All Georges River Councillors are reminded of their Oath of Office or Affirmation of Office made at the time of their swearing into the role of Councillor.

All Councillors are to undertake the duties of the office of Councillor in the best interests of the people of the Georges River Council area and are to act faithfully and impartially carry out the functions, powers, authorities and discretions vested in them under the *Local Government Act 1993* or any other Act to the best of their ability and judgement.

DISCLOSURES OF INTEREST

All Georges River Councillors are reminded of their obligation to declare any conflict of interest (perceived or otherwise) in a matter being considered by Council or at any meeting of Council.

FINANCE AND GOVERNANCE COMMITTEE MEETING**ORDER OF BUSINESS****OPENING****ACKNOWLEDGEMENT OF COUNTRY**

Council acknowledges the Bidjigal people of the Eora Nation, who are the Traditional Custodians of all lands, waters and sky in the Georges River area. I pay my respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples who live, work and meet on these lands.

APOLOGIES / LEAVE OF ABSENCE**REQUEST TO JOIN VIA AUDIO VISUAL LINK****NOTICE OF WEBCASTING****DISCLOSURES OF INTEREST****PUBLIC FORUM****CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

FIN029-24	Confirmation of the Minutes of the Finance and Governance Committee Meeting held on 8 July 2024	
	(Report by Executive Services Officer)	4

COMMITTEE REPORTS

FIN030-24	Investment Report as at 30 June 2024	
	(Report by Senior Financial Accountant - Reporting).....	9
FIN031-24	2023-24 Capital Works Program Carryovers	
	(Report by Senior Business Performance Accountant).....	23

CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

Item: FIN029-24 Confirmation of the Minutes of the Finance and Governance Committee Meeting held on 8 July 2024

Author: Executive Services Officer

Directorate: Office of the General Manager


Matter Type: Previous Minutes

FIN029-24

RECOMMENDATION:

That the Minutes of the Finance and Governance Committee Meeting held on 8 July 2024, be confirmed.

ATTACHMENTS

Attachment [↓](#)1  Minutes of the Finance and Governance Committee Meeting held on 8 July 2024

MINUTES

Finance and Governance Committee

Monday, 08 July 2024

6:00 PM

Waratah Room

Georges River Civic Centre

Hurstville

UNCONFIRMED MINUTES



GEORGES RIVER COUNCIL

PRESENT

COUNCIL MEMBERS

Councillor Christina Jamieson (Chairperson), Councillor Elise Borg, Councillor Veronica Ficarra, Councillor Nick Katris, Councillor Peter Mahoney and Councillor Colleen Symington.

COUNCIL STAFF

Director Business and Corporate Services - Danielle Parker, Chief Finance Officer – Scott Henwood, Head of Strategic Property - Bernard Morabito, Executive Manager City Futures – Simon Massey, Chief Audit Executive – Steven Baker, Executive Services Officer – Nickie Paraskevopoulos, EA to Director Business and Corporate Services – Ally Chand (Minutes), Chief Information Officer - Brendan Scott, Team Leader Procurement and Contracts Governance – Todd Payne (online) and Technology Business Support Officer – Earl Santos.

OPENING

The Chairperson, Councillor Jamieson, opened the meeting at 6.01pm.

ACKNOWLEDGEMENT OF COUNTRY

The Chairperson, Councillor Jamieson acknowledged the Bidjigal people of the Eora Nation, who are the Traditional Custodians of all lands, waters and sky in the Georges River area. I pay my respect to Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples who live, work and meet on these lands.

REQUEST TO ATTEND VIA AUDIO VISUAL LINK

There were no requests to attend via Audio Visual Link.

APOLOGIES/LEAVE OF ABSENCE

There were no apologies or requests for leave of absence.

NOTICE OF WEBCASTING

The Chairperson, Councillor Jamieson advised staff and the public that the meeting is being recorded for minute-taking purposes and is also webcast live on Council's website, in accordance with section 5 of Council's Code of Meeting Practice. This recording will be made available on Council's Website.

CODE OF MEETING PRACTICE

Council's Code of Meeting Practice prohibits the electronic recording of meetings without the express permission of Council.

DISCLOSURES OF INTEREST

There were no disclosures of interest made.

PUBLIC FORUM

There were no registered speakers.

CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

FIN026-24 Confirmation of the Minutes of the Finance and Governance Committee Meeting held on 11 June 2024

(Report by Executive Services Officer)

RECOMMENDATION: Councillor Ficarra, Councillor Katris

That the Minutes of the Finance and Governance Committee Meeting held on 11 June 2024, be confirmed.

Record of Voting

For the Motion: Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Mahoney, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

COMMITTEE REPORTS

FIN027-24 Investment Report as at 31 May 2024

(Report by Senior Financial Accountant - Reporting)

RECOMMENDATION: Councillor Mahoney, Deputy Mayor, Councillor Borg

That the Investment Report as at 31 May 2024 be received and noted by Council.

Record of Voting

For the Motion: Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Mahoney, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

FIN028-24 T24/002 Carss Park Café Lease

(Report by Senior Procurement and Contracts Business Partner)

RECOMMENDATION: Councillor Katris, Deputy Mayor, Councillor Borg

- (a) That in accordance with 178(1)(b) & 178(3)(e) of the Local Government (General) Regulation 2021 Council declines to accept any of the tenders for T24/002 Carss Park Café Lease and resolve to enter into negotiations with one or more parties with a view to entering into a contract in relation to the subject matter of the tender.
- (b) That in accordance with 178(4) of the Local Government (General) Regulation 2021, the reason for Council to decline all tenders is that none of the tenders achieved a satisfactory standard. By resolving to enter into negotiations with one or more parties it is anticipated that a satisfactory outcome will be achieved on demonstrated capacity and ability to provide services under a commercial lease arrangement with a competitive lease income paid to Council.
- (c) That Council authorise the General Manager to undertake negotiations and any other

documentation required to give effect to the resolution.

- (d) That a further report be provided to Council at its November 2024 meeting detailing the outcome of the negotiation process and a recommendation to award.
- (e) That Council notify all Tenderers that Council declined to accept any of the Tenders.

Record of Voting

For the Motion: Deputy Mayor, Councillor Borg, Councillor Jamieson, Councillor Ficarra, Councillor Katris, Councillor Mahoney, Councillor Symington

On being PUT to the meeting, voting on this Motion was UNANIMOUS. The Motion was CARRIED.

CONCLUSION

The Meeting was closed at 6.11pm

Chairperson

UNCONFIRMED MINUTES

COMMITTEE REPORTS

Item: FIN030-24 Investment Report as at 30 June 2024

Author: Senior Financial Accountant - Reporting

Directorate: Business and Corporate Services

Matter Type: Committee Reports

FIN030-24

RECOMMENDATION:

That the Investment Report as at 30 June 2024 be received and noted by Council.

EXECUTIVE SUMMARY

1. This report details Council’s performance of its investment portfolio as at 30 June 2024 and compares its performance against key benchmarks.
2. This report also includes the estimated market valuation of Council’s investment portfolio, loan liabilities and any required update on Council’s legal action against various parties.
3. Council’s annualised rate of return as at 30 June 2024 is 4.57% which is 0.20% above benchmark with income from interest on investments totalling \$10,754,000 which is \$1,484,000 higher than the year-to-date adopted budget of \$9,270,000.

BACKGROUND

4. Council’s Responsible Accounting Officer is required to report monthly on Council’s investment portfolio and certify that the investments are held in accordance with Council’s Investment Policy, section 625 of the Local Government Act 1993 and Local Government (General) Regulation 2021.

INVESTMENT PERFORMANCE COMMENTARY

5. Council’s performance against the benchmark for returns of its investment portfolio for June 2024, are as follows:

	1 Month	3 Month	12 Month
Portfolio Performance	0.386%	1.170%	4.57%
Performance Index	0.350%	1.081%	4.37%
Excess Performance	0.036%	0.089%	0.20%

Notes:

- (a) Portfolio performance is the rate of return of the portfolio over the specified period.
- (b) The Performance Index is the Bloomberg Ausbond Bank Bill Index.
- (c) Excess performance is the rate of return of the portfolio in excess of the (b) Performance Index.

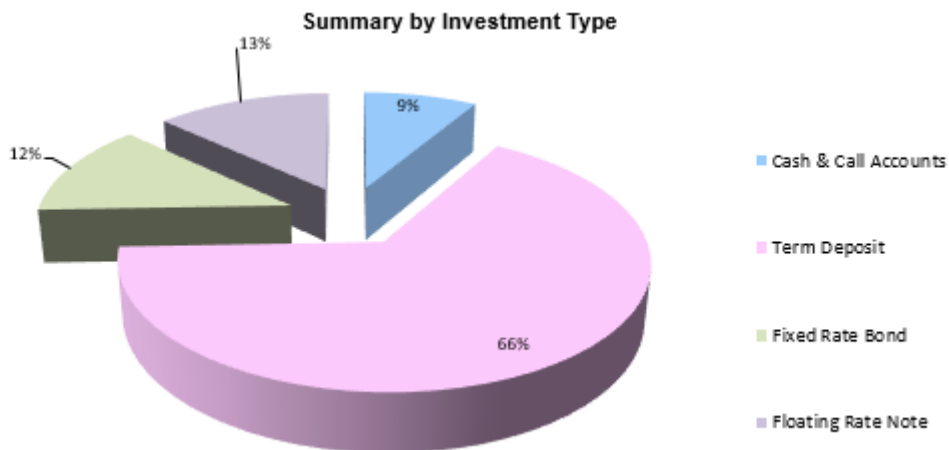
6. Council’s investment portfolio as at the end of June 2024 was as follows:

Security Type	Market Value \$000's	% Total Value
At Call Deposit	218	0.09%
Consolidated Cash Fund	20,392	8.42%
Term Deposit	159,700	65.91%
Fixed Rate Bond	30,300	12.51%
Floating Rate Note	31,685	13.08%
Portfolio Total	242,296	100%

7. At the end of June 2024, total cash and investments were \$242 million, which was the same as the previous month (May 2024: \$242 million).

8. Council continues to utilise the Federal Government’s current guarantee (\$250,000) investing in term deposits with a range of Authorised Deposit Taking Institutions (ADI’s).

TYPE OF INVESTMENTS



9. The majority of Council’s investment portfolio is made up of term deposits, which account for approximately 66% of total investments.

10. Floating Rate Notes (FRN) can offer liquidity and a higher rate of income accrual, which is highly recommended by our Investment Advisors (CPG Research & Advisory).

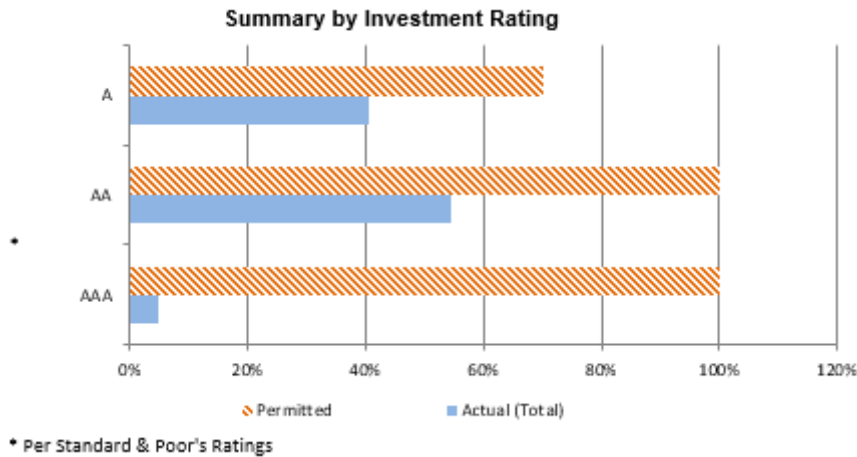
11. The following are the types of investments held by Council:

- a) Cash and Call Accounts refer to funds held at a financial institution and can be recalled by Council either same day or on an overnight basis.
- b) A Floating Rate Note (FRN) is a debt security issued by a company with a variable interest rate. This can either be issued as Certificates of Deposit (CD) or as Medium-Term Notes (MTN). The interest rate is floating, where the adjustments to the interest rate are usually made quarterly and are tied to a certain money market index such as the Bank Bill Swap Rate.
- c) A Term Deposit is a debt security issued by a company with a fixed or floating interest rate over the term of the deposit, where the adjustments to the interest rate are usually made quarterly and are tied to a certain money market index such as the Bank Bill Swap Rate.

- d) A Fixed Rate Bond is a debt security can be issued by a company or government in a form of fixed rate of interest at a specified time.

POLICY LIMITS

- 12. The graph below shows the investment rating limits, as a percentage of total cash investments, which are allowed under Council’s Investment Policy. All funds invested are within the limits set in the Investment Policy.



INVESTMENT INCOME

- 13. Income from interest on investments totals \$10,754,000 which is \$1,484,000 higher than the year-to-date adopted budget of \$9,270,000.
- 14. Investments have been made in accordance with the Local Government Act 1993, Minister’s Guidelines, Regulations and Council’s Investment Policy.

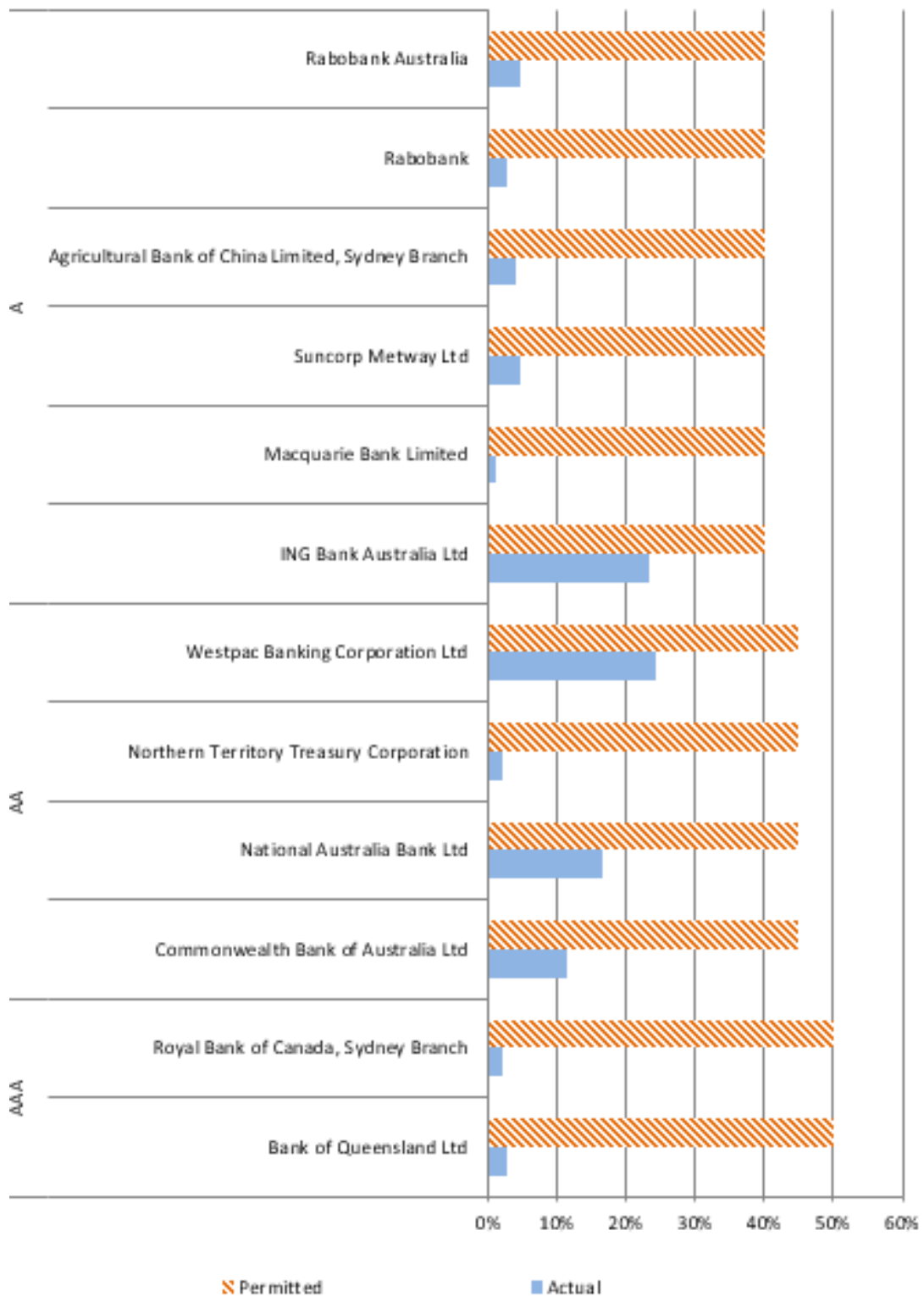
ANALYSIS OF INVESTMENTS

- 15. Investment Duration

Investment Term	Market Value \$000's	% Total Value	Policy Limits %
0 to < 1 Year	87,141	35.96%	100%
1 to < 3 Years	58,569	24.17%	60%
3 to < 5 Years	96,587	39.86%	40%
Portfolio Total	242,296	100.00%	

- 16. Council’s portfolio is moderately liquid, with 36% of assets maturing within 12 months. All future new investments will be placed in the 3 years and below categories until the 3 to 5 years category decrease to around 35%. FRNs, At-Call Funds and Fixed Rate Bonds also provide additional liquidity in an emergency. The following graph shows the analysis of the total cash investment by institution as at 30 June 2024.

Investment by Institution



FIN030-24

CREDIT RATING

17. Credit ratings are generally a statement as to an institution's credit quality. Council's investment advisors (CPG Research & Advisory) use standard & poor's credit ratings to classify the investments held by Council. Ratings ranging from AAA to A are considered investment grade.
18. A general guide for the meaning of each credit rating that Council deals with is as follows:
 - AAA: The highest possible quality. An obligor's capacity to meet its financial commitments on the obligation is extremely strong.
 - AA: The best quality companies, reliable and stable. An obligor's capacity to meet its financial commitments on the obligation is very strong.
 - A: The obligor's capacity to meet its financial commitments on the obligation is still strong but is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions.
19. The credit quality of Council's portfolio is high with 100% of assets rated 'A' or higher.

COUNCIL'S INVESTMENT POWERS

20. Council's investment powers are regulated by Section 625 of the Local Government Act 1993, which states:
 - A council may invest money that is not, for the time being, required by the council for any other purpose.
 - Money may be invested only in a form of investment notified by order of the Minister published in the Gazette.
 - An order of the Minister notifying a form of investment for the purposes of this section must not be made without the approval of the Treasurer.
 - The acquisition, in accordance with Section 358, of a controlling interest in a corporation or an entity within the meaning of that section is not an investment for the purposes of this section.
21. Council's Investment Policy and strategy requires that all investments are to be made in accordance with:
 - *Local Government Act 1993 - Section 625*
 - *Local Government Act 1993 - Order (of the Minister) dated 12 January 2011*
 - *The Trustee Amendment (Discretionary Investments) Act 1997 - Sections 14A (2), 14C (1) & (2)*
 - *Local Government (General) Regulations 2021*
 - *Investment guidelines issued by the Department of Local Government*

LEGAL MATTERS

22. Georges River Council is participating in a Group Class Action since January 2019 against Fitch Ratings Inc and Fitch Ratings Ltd (collectively Fitch), in respect to losses suffered in relation to products Council acquired which were rated by Fitch, specifically the Corsair (Cayman Islands) No.4 Ltd Series 6 Kakadu Collateralised Debt Obligation (CDO) notes (rated AA by Fitch but estimated in fact BB). Council suffered a capital loss of \$215,000 on these investments dating back to December 2006 and will seek damages of the capital loss including lost interest, as part of the action.
23. As a Group Member, Council will not incur any legal costs or disbursements, or be liable for any adverse costs order that the Court may make in the proceedings. The Banton

Group Pty Ltd (Banton) is the legal firm acting for Council in relation to the class action proceedings against Fitch, engaged on November 2020. Banton has been working on the matter and conferring with consultant experts on a new potential fraud issue within Fitch's ratings methodology. The latest quarterly correspondence on this matter was in early July 2024, where Banton is still conferring with Counsel and experts regarding the arguments and alternative strategies in this matter. Banton states that the proceedings are very advanced and they anticipate the proceeding will be filed late July 2024 subject to Counsel sign off.

FINANCIAL IMPLICATIONS

24. Income from interest on investments totals \$10,754,000 which is \$1,484,000 higher than the year-to-date adopted budget of \$9,270,000.
25. The majority of Council's cash is restricted for specific purposes, with approximately 10% available as unrestricted operating cash. Around 60% of the cash is externally restricted by legislation or formal agreements, mainly involving developer contributions and unspent grants. Internally restricted, about 30% of the funds are reserved for governance and sustainability to support funding strategies and asset renewal. This financial structure highlights the need for effective management of these restricted funds to ensure the Council's financial health and operational requirements.

RISK IMPLICATIONS

26. Enterprise risk/s identified, and management process applied.
27. Council's enterprise risk identified was 'poor financial management adversely impacts Council's long-term financial sustainability'. The risk has been managed by Council's management of investments in accordance with the relevant Act and Regulations, along with Council's adopted Investment Policy and introduction of the SRV. To further minimise the risk, Council is progressively moving towards the placement of investments only in investments rated A or above.

COMMUNITY ENGAGEMENT

28. No community consultation is required.

FILE REFERENCE

D24/166145

ATTACHMENTS

Attachment [↓](#)1 P12. Investment Portfolio as at 30 Jun 2024





INVESTMENT REPORT

As at 30 Jun 2024



TABLE OF CONTENTS

1. Portfolio as at 30 Jun 2024
2. Portfolio Valuation by Categories as at 30 Jun 2024



Investment Report
Georges River Council
as at 30 Jun 2024

1. Portfolio Valuation As At 30 Jun 2024

	Fixed Interest Security	ISIN	Face Value Original	Market Value	% Total Value
Cash at Bank					
	CBA Consolidated operating 70 & 18		20,392,413.51	20,392,413.51	8.42%
			20,392,413.51	20,392,413.51	8.42%
At Call Account					
	CBA Cash deposit 167242		218,363.52	218,363.52	0.09%
	CBA Online saver 7676		-	-	0.00%
			218,363.52	218,363.52	0.09%
Fixed rate bond					
	NTTC 1.0 15 Dec 2024 1206DAY Fixed		5,000,000.00	5,000,000.00	2.06%
	NAB 4.95 25 Nov 2027 1826DAY Fixed	AU3CB0294502	7,400,000.00	7,400,000.00	3.05%
	ING 4.70 8 Dec 2025 1096DAY Fixed	AU3CB0294759	3,750,000.00	3,750,000.00	1.55%
	Suncorp 4.80 14 Dec 2027 1826DAY Fixed	AU3CB0294957	5,200,000.00	5,200,000.00	2.15%
	Rabobank 5.71 21 Nov 2028 1827DAY Fixed	AU3CB0304525	6,750,000.00	6,750,000.00	2.79%
	Suncorp 4.75 19 Mar 2029 1826DAY Fixed	AU3CB0307809	1,200,000.00	1,200,000.00	0.50%
	ING 4.84 22 Mar 2027 1095DAY Fixed	AU3CB0307908	1,000,000.00	1,000,000.00	0.41%
			30,300,000.00	30,300,000.00	12.51%
Floating rate note					
	MACQ 0.48 09 Dec 2025 FRN	AU3FN0057709	3,000,000.00	2,996,310.00	1.24%
	Suncorp 0.45 24 Feb 2026 FRN	AU3FN0058343	2,100,000.00	2,094,267.00	0.86%
	BOQ 1.07 14 May 2025 FRN	AU3FN0054086	6,500,000.00	6,529,835.00	2.69%
	RBCSyd 0.73 30 Jun 2026 FRN	AU3FN0079133	5,000,000.00	5,019,200.00	2.07%
	Suncorp 1.05 12 Jul 2028 FRN	AU3FN0079406	3,000,000.00	3,023,370.00	1.25%
	CBA 0.95 17 Aug 2028 FRN	AU3FN0080396	2,000,000.00	2,013,160.00	0.83%
	ABOC Syd 0.90 4 Sep 2026 FRN	AU3FN0080859	10,000,000.00	10,008,800.00	4.13%
			31,600,000.00	31,684,942.00	13.08%



Investment Report
Georges River Council
as at 30 Jun 2024

Term Deposit

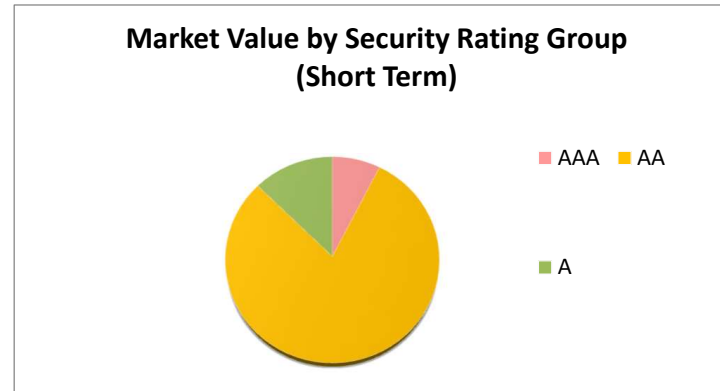
WBC 0.80 09 Sep 2024 1098DAY TD	4,000,000.00	4,000,000.00	1.65%
NAB 0.82 06 Sep 2024 1095DAY TD	3,000,000.00	3,000,000.00	1.24%
WBC 0.88 08 Oct 2024 1099DAY TD	4,000,000.00	4,000,000.00	1.65%
ING 3.90 08 Aug 2025 1096DAY TD	5,000,000.00	5,000,000.00	2.06%
WBC 4.67 30 Aug 2027 1827DAY TD	5,000,000.00	5,000,000.00	2.06%
CBA 4.36 05 Sep 2025 1096DAY TD	5,000,000.00	5,000,000.00	2.06%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	2.06%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	2.06%
WBC 5.10 27 Sep 2027 1826DAY TD	5,000,000.00	5,000,000.00	2.06%
ING 5.00 05 Oct 2027 1827DAY TD	5,000,000.00	5,000,000.00	2.06%
WBC 4.76 05 Oct 2027 1827DAY TD	5,000,000.00	5,000,000.00	2.06%
WBC 5.08 18 Oct 2027 1826DAY TD	5,000,000.00	5,000,000.00	2.06%
WBC 5.15 10 Nov 2027 1826DAY TD	10,000,000.00	10,000,000.00	4.13%
ING 4.65 14 Dec 2027 1827DAY TD	5,000,000.00	5,000,000.00	2.06%
ING 5.13 06 Mar 2028 1827DAY TD	5,000,000.00	5,000,000.00	2.06%
ING 4.85 14 Mar 2028 1827DAY TD	5,000,000.00	5,000,000.00	2.06%
ING 5.20 15 Jun 2028 1827DAY TD	4,000,000.00	4,000,000.00	1.65%
ING 5.41 19 Jun 2025 731DAY TD	4,000,000.00	4,000,000.00	1.65%
WBC 5.41 07 Jul 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.24%
NAB 5.45 16 Jul 2024 365DAY TD	10,000,000.00	10,000,000.00	4.13%
NAB 5.40 17 Jul 2024 365DAY TD	5,000,000.00	5,000,000.00	2.06%
WBC 5.06 20 Jul 2026 1098DAY TD	2,200,000.00	2,200,000.00	0.91%
WBC 5.12 24 Jul 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.24%
ING 5.37 18 Aug 2025 731DAY TD	5,000,000.00	5,000,000.00	2.06%
ING 5.01 24 Aug 2026 1096DAY TD	3,000,000.00	3,000,000.00	1.24%
NAB 5.20 27 Aug 2024 365DAY TD	3,000,000.00	3,000,000.00	1.24%
ING 5.00 04 Sep 2026 1096DAY TD	5,000,000.00	5,000,000.00	2.06%
NAB 5.20 09 Sep 2024 367DAY TD	5,000,000.00	5,000,000.00	2.06%
NAB 5.20 10 Sep 2024 365DAY TD	5,000,000.00	5,000,000.00	2.06%
ING 5.30 03 Oct 2025 730DAY TD	2,500,000.00	2,500,000.00	1.03%
ING 5.20 16 Oct 2024 366DAY TD	2,000,000.00	2,000,000.00	0.83%
ING 5.19 19 Feb 2029 1827DAY TD	1,000,000.00	1,000,000.00	0.41%
Rabo 5.15 26 Feb 2029 1827DAY TD	3,000,000.00	3,000,000.00	1.24%
Rabo 5.06 5 Mar 2029 1827DAY TD	3,000,000.00	3,000,000.00	1.24%
WBC 5.29 29 Apr 2025 365DAY TD	3,000,000.00	3,000,000.00	1.24%
NAB 5.30 06 May 2025 365DAY TD	2,000,000.00	2,000,000.00	0.83%
Rabo 5.30 15 May 2025 365DAY TD	2,000,000.00	2,000,000.00	0.83%
Rabo 5.23 17 Jun 2025 365DAY TD	3,000,000.00	3,000,000.00	1.24%
	159,700,000.00	159,700,000.00	65.91%
Portfolio Total		242,295,719.03	100%



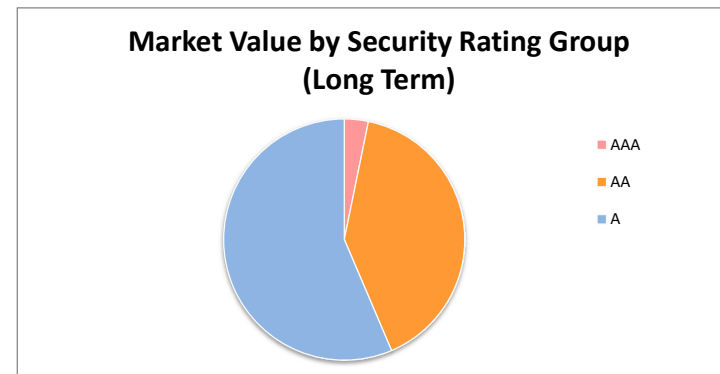
Investment Report
Georges River Council
as at 30 Jun 2024

2. Portfolio Valuation By Categories As At 30 Jun 2024

Short Term Issuer/Security Rating Group	Market Value	% Total Value
AAA	6,529,835	2.69%
AA	69,610,777	28.73%
A	11,000,000	4.54%
Portfolio Total	87,140,612	35.96%



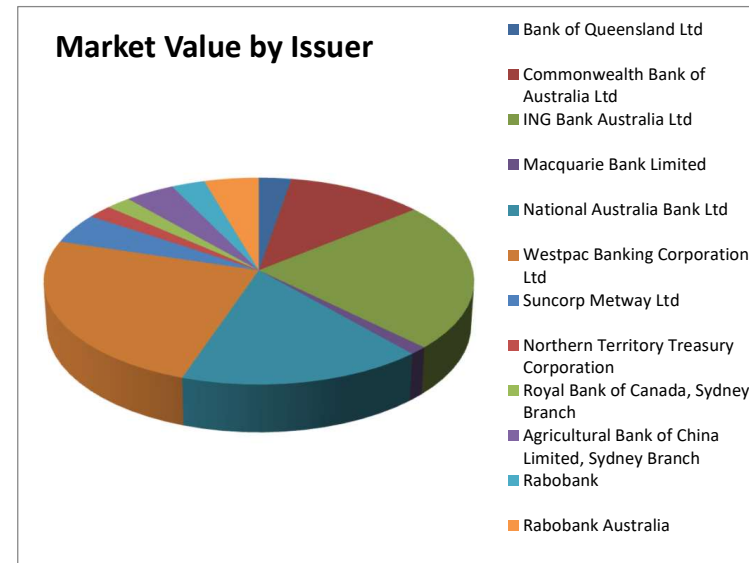
Long Term Issuer/Security Rating Group	Market Value	% Total Value
AAA	5,019,200	2.07%
AA	62,613,160	25.84%
A	87,522,747	36.12%
Portfolio Total	155,155,107	64.04%





Investment Report
Georges River Council
as at 30 Jun 2024

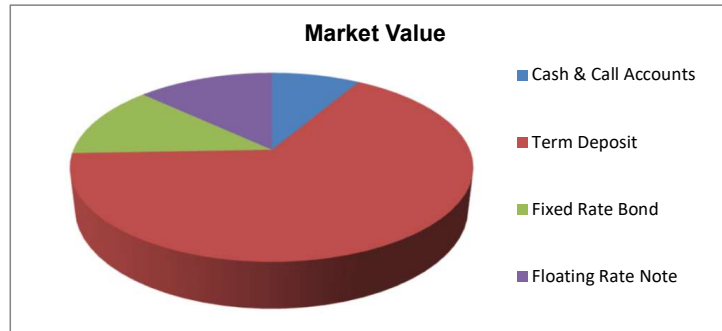
Issuer	Market Value	% Total Value
Bank of Queensland Ltd	6,529,835	2.69%
Commonwealth Bank of Australia Ltd	27,623,937	11.40%
ING Bank Australia Ltd	56,250,000	23.22%
Macquarie Bank Limited	2,996,310	1.24%
National Australia Bank Ltd	40,400,000	16.67%
Westpac Banking Corporation Ltd	59,200,000	24.43%
Suncorp Metway Ltd	11,517,637	4.75%
Northern Territory Treasury Corporation	5,000,000	2.06%
Royal Bank of Canada, Sydney Branch	5,019,200	2.07%
Agricultural Bank of China Limited, Sydney Branch	10,008,800	4.13%
Rabobank	6,750,000	2.79%
Rabobank Australia	11,000,000	4.54%
Portfolio Total	242,295,719	100.00%





Investment Report
Georges River Council
as at 30 Jun 2024

Security Type	Market Value	% Total Value
Cash & Call Accounts	20,610,777	8.51%
Term Deposit	159,700,000	65.91%
Fixed Rate Bond	30,300,000	12.51%
Floating Rate Note	31,684,942	13.08%
Portfolio Total	242,295,719	100.00%

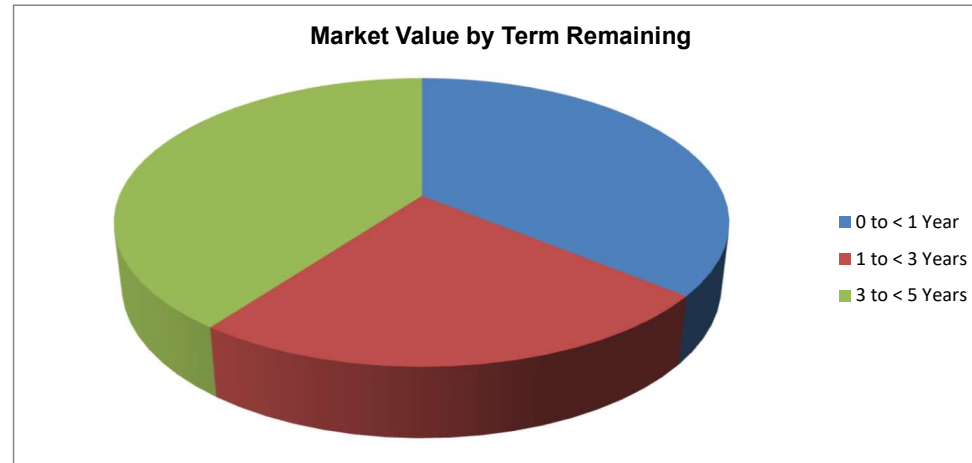




Investment Report
Georges River Council
as at 30 Jun 2024

Term Remaining	Market Value	% Total Value	Policy Limits %
0 to < 1 Year	87,140,612	35.96%	100%
1 to < 3 Years	58,568,577	24.17%	60%
3 to < 5 Years	96,586,530	39.86%	40%
Portfolio Total	242,295,719	100.0%	

Note: Term Remaining is calculated using a weighted average life date (WAL) where appropriate and available otherwise the interim (initial) maturity date is used.



Item: FIN031-24 2023-24 Capital Works Program Carryovers
Author: Senior Business Performance Accountant
Directorate: Business and Corporate Services
Matter Type: Committee Reports

FIN031-24

RECOMMENDATION:

- (a) That Council receives and notes the contents of this report in relation to the proposed carryover of budgets from the 2023/24 Capital Works Program to be added to the 2024/25 Capital Works Program budget.
- (a) That Council adopt the revised 2024/25 Capital Works Program budget, including the carryovers from 2023/24, as outlined in Attachment 1.

EXECUTIVE SUMMARY

1. This report highlights the Capital Works Program projects that remain in progress at the end of the 2023/24 Financial Year and the remaining budgets to be carried forward and allocated to the 2024/25 Capital Works Program budget to ensure funding is available to complete the projects.

BACKGROUND

2. The 2024/25 multiyear Capital Works Program budget was adopted at the June 2024 Council Meeting, totalling \$104.5 million and forecasted to occur over the years 2024/25 to 2026/27.
3. \$49.5 million of the Capital Program is expected to occur in 2024/25.
4. As part of the 2024/25 Delivery Program and Operations Plan, it was noted that any capital works budgeted to occur in 2023/24 that did not get completed, would be added to the \$104.5 million program as part of the carryover process.
5. After the financial year end review of the 2023/24 Capital Works Program, the carryover amount identified totals \$8.4 million, increasing the 2024/25 Capital Works Program budget to \$57.8 million.

FINANCIAL IMPLICATIONS

6. Attachment 1 Table 1 contains detailed information on the proposed changes.
7. The proposed carryover amendments have resulted in a revised Capital Works Program for 2024/25 of \$57.8 million, bringing the multiyear Capital Works Program to \$112.9 million which is expected to occur over the years 2024/25 to 2026/27.
8. It should be noted that the 2023/24 financial year-end has not been completed. At this stage, the carryover amounts are based on estimates. Slight variations may still occur on the final carryover amounts. Any changes will be proposed to Council as part of the Quarter 1 Budget Review process in November 2024.

RISK IMPLICATIONS

9. Council must comply with Section 8B of the Act - Principles of sound financial management; and in particular the following sub sections of section 8B:
“(a) Council spending should be responsible and sustainable, aligning general revenue and expenses...”

(d) Councils should have regard to achieving intergenerational equity, including ensuring the following:

- (i) policy decisions are made after considering their financial effects on future generations,*
- (ii) the current generation funds the cost of its services”*

COMMUNITY ENGAGEMENT

10. No community consultation is required because of this report.

FILE REFERENCE

D24/199409

ATTACHMENTS

Attachment [↓](#)1 2023-24 Capital Works Program Budget Carryovers to 2024-25



Table 1: 2023/24 Detailed Capital Program Budget Carryovers

Project Description	Directorate	Reason	Funding Source	2023/24 Budget Carryover
				(\$'000)
Blackspot Program – Cook St Mortdale Traffic Facilities	A&I	Delayed due to ongoing wet weather.	Grant	250
Bocce court project	A&I	Delayed due to ongoing wet weather.	General Revenue	21
Carss Bush Park Playspace Upgrade	A&I	Multi-year, due for completion October 2024.	Grant and Developer Contributions	329
Carss Park Decontamination & Remediation	A&I	Multi-year, works due for completion October 2024.	Domestic Waste Reserve	2,100
Charles Pirie Reserve Lighting Upgrade	A&I	Multi-year, construction due for completion December 2024.	Grant	336
Dairy Creek Embankment Reconstruction	A&I	Delayed due to ongoing wet weather.	Grant	323
Electrical Switchboard Replacements	A&I	Project within building renewal program, not complete.	General Revenue	250
Lower Gannons Park Spoil Remediation	A&I	Delayed due to ongoing wet weather.	Developer Contributions and Domestic Waste Reserve	266
HALC Basketball Curtain Replacement	A&I	Project within building renewal program, not complete.	General Revenue	31
Hedley Street Community Facility Design	A&I	Initial design work leading to scope change has caused delays.	General Revenue	192
Kempt Field Play Space Relocation	A&I	Multi-year, due for completion June 2025.	General Revenue	160
Lower Poulton Park Amenity Construction	A&I	Delayed due to ongoing wet weather.	Developer Contributions	68
Lugarno Passive Watercraft Launching Facility	A&I	Detailed design is nearing completion.	Developer Contributions	28
Merv Lynch Play Space	A&I	Delayed due to ongoing wet weather.	Developer Contributions	235
Mortdale and Carlton Depot Toilet Upgrade	A&I	Longer design and build times than expected have delayed delivery.	General Revenue	70
New Footpath Gloucester Rd	A&I	Delays arising from community engagement	Asset Management Reserve	100
Olds Park Premium Sporting and Community Facility	A&I	Multi-year, with less expended in 2023/24 than planned.	Developer Contributions	337

Penshurst Park Fencing	A&I	Multi-year, construction due for completion June 2025.	Asset Management Reserve	91
Playground Upgrade Local to Neighbourhood	A&I	Delayed due to ongoing wet weather.	Developer Contributions	122
Poulton Park Retaining Wall	A&I	Delayed due to ongoing wet weather.	Grant	62
Renown Park Field Number 2 Reconstruction Works	A&I	Multi-year, due to the expedition of work, more of the project was completed in 2023/24 than planned. Top dressing to be completed in September 2024.	Grant	(76)
Sensory Garden	A&I	Project on hold due to defects with the strata owned building.	Developer Contributions & General Revenue	223
Sporting Fields Renovation Program	A&I	Project delayed, includes new drainage and lighting at various sites.	General Revenue	133
Smart access for libraries & community properties	A&I	Project ongoing, continuation of community properties works.	General Revenue	44
Todd Park Sporting Centre of Excellence	A&I	Multi-year, delays with design.	General Revenue & Grant	187
13 Keith Street- Land Acquisition	BACS	Owner approached Council to discuss acquisition, pending finalisation of agreement of valuation.	Developer Contributions	1,800
Belgrave Street Foyer Upgrade	BACS	Procurement underway.	Commercial Property Reserve	100
Kogarah Town Square Lift Renewal	BACS	On track with updated timelines - Works have commenced. Anticipated completion November 2024.	Commercial Property Reserve	290
New Aircon Unit 65/ 23 MacMahon St Hurstville	BACS	Strata approved. Works to commence August 2024.	Commercial Property Reserve	46
Beverly Hills Centre Masterplan	E&P	Project was delayed due to the adoption, by Council in October 2023, of the Overland Flow Floodplain Risk Management Study and Plan for Hurstville, Mortdale and Peakhurst Wards. The Study has significant implications for the amended Master Plan	General Revenue	144
Jubilee Oval Master Plan and Plan of Management	E&P	Council engaged consultants to carry out further preliminary consultations which has occurred during June and July 2024.	General Revenue	110
			TOTAL	8,372

Table 2: Revised Capital Program Summary

Capital Program by Asset Class	2023/2024 Q2 Adopted Budget	2024/25 Adopted Budget	2025/26 Adopted Budget	2026/27 Adopted Budget	2024/25-2026/27 Adopted Capital Program	2023/24 Proposed Carry Overs	2024/25-2026/27 Revised Capital Program
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
New Assets							
Buildings - Non Specialised	2,539	7,775	1,700	1,200	10,675	523	11,198
Buildings - Specialised	462						
Footpaths	968		1,500	3,000	4,500	100	4,600
Furniture and Fittings							
Open Space/Recreational	7,622	5,024	1,790		6,814	1,410	8,224
Operational Land Council Owned	6,279					1,800	1,800
Plant and Equipment							
Roads	2,482	5,070	1,880	1,880	8,830	250	9,080
Office Equip	527	295			295	44	339
Stormwater							
Various Plant and Equipment Other		190	600	350	1,140		1,140
Sub-Total	20,879	18,354	7,470	6,430	32,254	4,127	36,381
Renewal of Assets							
Buildings - Non Specialised	3,416	7,306	3,929	1,375	12,610	1,001	13,611
Buildings - Specialised							
Footpaths	827	696	550	550	1,796		1,796
Furniture and Fittings							
Library Collections	442	460	460	460	1,380		1,380
Office Equip	420	480	420	420	1,320	46	1,366
Open Space/Recreational	10,272	8,584	3,285	1,560	13,429	2,875	16,304
Plant and Equipment	2,300	1,800	1,800	1,800	5,400		5,400
Roads	8,250	7,220	7,450	7,450	22,120		22,120
Stormwater	1,690	2,560	2,170	2,170	6,900	323	7,223
Various Plant and Equipment Other		350	1,010	1,010	2,370		2,370
Sub-Total	27,617	29,456	21,074	16,795	67,325	4,245	71,570
Capitalised Project Salaries*	1,600	1,650	1,650	1,650	4,950		4,950
Total	50,096	49,460	30,194	24,875	104,529	8,372	112,901

*Allocated to specific projects during the financial year.