



Te Kaunihera-ā-Rohe o Taratahi

CARTERTON
DISTRICT COUNCIL

AGENDA

Investment Committee meeting

Date: Wednesday, 21 February 2024

Time: 12.30 pm

**Location: Carterton Events Centre
50 Holloway St
Carterton**

Deputy Mayor D Williams (Chair)

Mayor R Mark

Cr L Newman

Cr S Laurence

Marty Sebire – Hurunui-o-Rangi Marae

Notice is hereby given that an Investment Committee meeting of the Carterton District Council will be held in the Carterton Events Centre, 50 Holloway St, Carterton on:

Wednesday, 21 February 2024 at 12.30 pm

Order Of Business

1	Karakia Timatanga	5
2	Apologies	5
3	Conflicts of Interests Declaration	5
4	Public Forum	5
5	Confirmation of the Minutes.....	6
	5.1 Minutes of the Investment Committee Meeting held on 15 November 2023.....	6
6	Reports	9
	6.1 Investment Update Report	9
7	Karakia Whakamutunga.....	12

1 KARAKIA TIMATANGA

Mai i te pae maunga, raro ki te tai

Mai i te awa tonga, raro ki te awa raki

Tēnei te hapori awhi ai e Taratahi.

Whano whano, haramai te toki

Haumi ē, hui ē, tāiki ē!

2 APOLOGIES

3 CONFLICTS OF INTERESTS DECLARATION

4 PUBLIC FORUM

5 CONFIRMATION OF THE MINUTES



5.1 MINUTES OF THE INVESTMENT COMMITTEE MEETING HELD ON 15 NOVEMBER 2023

1. RECOMMENDATION

1. That the Minutes of the Investment Committee Meeting held on 15 November 2023 are true and correct.

File Number: 373003

Author: Robyn Blue, Democratic Services Officer

Attachments: 1. Minutes of the Investment Committee Meeting held on 15 November 2023

**MINUTES OF CARTERTON DISTRICT COUNCIL
INVESTMENT COMMITTEE MEETING
HELD AT THE CARTERTON EVENTS CENTRE, 50 HOLLOWAY ST, CARTERTON
ON WEDNESDAY, 15 NOVEMBER 2023 AT 12:30 PM**

PRESENT: Deputy Mayor Dale Williams (Chair), Mayor Ron Mark, Cr Steve Laurence

IN ATTENDANCE: Staff

Geoff Hamilton (Chief Executive), Kelly Vatselias (Corporate Services Manager), Elisa Brown (Communications and Engagement Manager), Robyn Blue (Democratic Services Officer)

Other

Jonathan Eriksen (Eriksens Global), Peter Verhaart (Eriksens Global)

1 KARAKIA TIMATANGA

The meeting opened with a karakia by Deputy Mayor Dale Williams.

2 APOLOGIES

MOVED

That an apology be received from Cr Lou Newman.

Cr S Laurence / Deputy Mayor D Williams

CARRIED

3 CONFLICTS OF INTERESTS DECLARATION

There were no conflicts of interest declared.

4 PUBLIC FORUM

There was no public forum.

5 CONFIRMATION OF THE MINUTES

5.1 MINUTES OF THE INVESTMENT COMMITTEE MEETING HELD ON 23 AUGUST 2023

MOVED

1. That the Minutes of the Investment Committee Meeting held on 23 August 2023 are true and correct.
- 2.

Cr S Laurence / Deputy Mayor D Williams

CARRIED

6 REPORTS

6.1 INVESTMENT UPDATE REPORT

1. PURPOSE

The purpose of the report is to provide the Committee with an update on Council's investments.

MOVED

That the Committee:

1. **Receives** the report.

Deputy Mayor D Williams / Mayor R Mark

CARRIED

6.2 CO-OPTED COMMITTEE MEMBER

1. PURPOSE

To co-opt a new Investment Committee member.

NOTED

- Marty Sebire is the Hurunui-o-Rangi Marae representative on the Risk & Assurance Committee, and was formerly the Manager of CDC Corporate Services. He has an excellent knowledge of financial matters and has indicated he is available to be on the Investment Committee.

MOVED

That the Committee:

1. **Endorses** Marty Sebire as a co-opted member of the Investment Committee.

Deputy Mayor D Williams / Mayor R Mark

CARRIED

7 KARAKIA WHAKAMUTUNGA

The meeting closed with a karakia by Deputy Mayor Dale Williams.

The meeting closed at 1.06 pm

Minutes confirmed:

Date:

6 REPORTS



6.1 INVESTMENT UPDATE REPORT

1. PURPOSE

The purpose of the report is to provide the Committee with an update on Council's investments.

2. SIGNIFICANCE

The matters for decision in this report are not considered to be of significance under the Significance and Engagement Policy.

3. BACKGROUND

CDC's investment position and management are reported at each Investment Committee meeting, including the quarterly report from Eriksens Global, as the Investment Advisor to the Committee.

This report sets out the investment position as at 31 December 2023 advising the Committee of the position of investments, their performance over the period, and considers the plan going forward.

4. SUMMARY OF MANAGED FUND BALANCE AND PERFORMANCE

Balance and performance of managed funds since inception, to 31 December 2023:

Asset	Total invested	Current value	Gain/(loss)	Fund performance *
	\$	\$	\$	
Castle Point 5 Oceans	1,325,000	1,366,918	41,918	3%
Harbour Income	1,325,000	1,435,038	110,038	8%
Castlerock LP	1,000,000	935,528	(64,472)	-7%
Milford	1,350,000	1,379,035	29,035	2%
TOTAL	5,000,000	5,116,519	116,519	2%

* Note the fund performance is from the Eriksens Global report. Returns are calculated monthly using a formula based on the market value and cash flows occurring in that month. Cash flows (such as the additional applications in June) can make a significant difference to returns.

Currently all distributions are being reinvested back into the funds.

5. CURRENT TOTAL INVESTMENTS POSITION

The council's total investment position at end of December 2023 is:

On Call and up to 30 days	\$7.3m
31 – 90 days	\$4.5m
181 days	\$0.1m
Managed funds	\$5.0m
Borrower notes	\$0.5m
TOTAL	\$17.4m

5.1 Bank investments

Investments are held across three banks, BNZ, ANZ and Westpac. Call accounts reflect our trading activity while cash and term deposits reflect operational or special reserve investments; the latter are funds set aside for specific purposes, such as infrastructure contributions. We also have Borrower notes in our investment schedule. These are a percentage of the bonds (loans) we have taken out with LGFA and are due when the bonds mature. They are gathering a small amount of interest that is payable on maturity.

The average interest rate on term investments is currently approximately 3.6%.

5.2 Managed funds

At 31 December 2023 the current position and performance of these investments are shown in the table above, and in the 31 December 2023 report issued by Eriksen's Global (Attachment 1).

These investments are intended to be held for a long period of time, and within that time the values will fluctuate. It is still too early to form a view on fund performance given the short time of investment to date.

6. NEXT STEPS

Staff will continue to monitor and report on investment position to the Investment Committee.

Staff will continue work on cash-flow forecasting, including the capital programme and cash available for investment.

Officers are not recommending further investment in managed funds at this stage.

7. CONSIDERATIONS**7.1 Climate change**

There are no specific climate change considerations.

7.2 Tāngata whenua

There are no specific tāngata whenua considerations.

7.3 Financial impact

There are no financial impacts resulting from the decisions in this report, other than those already outlined above.

7.4 Community Engagement requirements

There are no community engagement requirements.

7.5 Risks

Key risks relate to the investment management areas outlined above.

8. RECOMMENDATION

That the Committee:

1. **Receives** the report.

File Number: 385298

Author: Kyra Low, Finance Manager

Attachments: Nil

7 KARAKIA WHAKAMUTUNGA