



5th March, 2002

ADMINISTRATION AND FINANCE COMMITTEE MEETING

NOTICE IS HEREBY GIVEN THAT AN ADMINISTRATION AND FINANCE COMMITTEE MEETING OF THE COUNCIL OF THE CITY OF RANDWICK WILL BE HELD IN THE COUNCIL CHAMBER, TOWN HALL, 90 AVOCA STREET, RANDWICK, ON TUESDAY, 12TH MARCH, 2002 AT 6:00 PM.

Committee Members: His Worship, the Mayor, Cr D. Sullivan, Crs Andrews (Deputy Chairperson), Daley, Matson, Matthews, Notley-Smith, Procopiadis (Chairperson) and Tracey.

Quorum: Five (5) members.

NOTE: AT THE EXTRAORDINARY MEETING HELD ON 5TH SEPTEMBER, 2000, THE COUNCIL RESOLVED THAT THE ADMINISTRATION AND FINANCE COMMITTEE BE CONSTITUTED AS A COMMITTEE WITH FULL DELEGATION TO DETERMINE MATTERS ON THE AGENDA.

1 Apologies

2 Minutes

CONFIRMATION OF THE MINUTES OF THE ADMINISTRATION & FINANCE COMMITTEE MEETING HELD ON TUESDAY 12TH FEBRUARY, 2002.

3 Addresses to Committee by the Public

4 Mayoral Minutes

5 Finance

5.1 DIRECTOR GOVERNANCE MANAGEMENT & INFORMATION SERVICES' REPORT 5/2002 - INVESTMENT OF COUNCIL FUNDS AS AT 31 JANUARY 2002. 2

6 General Business

7 Notice of Rescission Motions

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GENERAL MANAGER

Director Governance Management & Information Services' Report 5/2002



SUBJECT:	INVESTMENT OF COUNCIL FUNDS AS AT 31 JANUARY 2002
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DATE:	12 February, 2002	FILE NO:	98/S/0745
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REPORT BY: DIRECTOR GOVERNANCE MANAGEMENT & INFORMATION SERVICES

INTRODUCTION:

To report on Council's current investments.

ISSUES:

Council is authorised by s625 of the Local Government Act to invest its surplus funds. Funds may only be invested in the form of investment notified by Order of the Minister dated 29 November 2000.

The Local Government Financial Management Regulations prescribe the records that must be maintained in relation to Council's investments. The regulations also require that the responsible accounting officer provide a written report to each ordinary meeting of the Council giving details of all moneys invested and a certificate as to whether or not the investments have been made in accordance with the Act, the regulations and Council's Investment Policy No: 3.02.07.

Council's investment policy is currently been updated to incorporate a number of changes. This new policy will be submitted to Council shortly for its consideration.

Details of all investments are shown on the attachment sheet titled "Details of cash investments and analysis of investment performance as at 31 January 2002" and in the attached graphs.

CONCLUSION:

All surplus cash has been invested as at 31 January 2002 in accordance with Policy No: 3.02.07 and the provisions of s625 of the Local Government Act have been complied with.

RECOMMENDATION:

That the report dated 12 February 2002 in relation to the investment of Council funds be noted.

ATTACHMENT/S:

1. Details of cash investments and analysis of investment performance as at 31 January 2002.
2. Graphs (5).

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MARK HUMMERSTON
DIRECTOR GOVERNANCE
MANAGEMENT & INFORMATION
SERVICES

.....
BRIAN GREGAN
MANAGER, FINANCIAL
SERVICES

**DETAILS OF CASH INVESTMENTS AND ANALYSIS OF INVESTMENT PERFORMANCE
AS AT 31 JANUARY 2002**

Investment Manager	Credit Ratings	Amount Invested	Interest Earned January			UBSWA Bank Bill Index %	Interest Earned Financial Year to Date			UBSWA Bank Bill Index %	Interest Earned Last 12 Months			UBSWA Bank Bill Index %
			Amount	% Return			Amount	% Return			Amount	% Return		
	#	\$	\$	Month	Annualised	**	\$		**	\$		**		
AMP Premium Treasury	AAf	8,162,155	27,584	0.34	4.02	0.36	200,336	4.80	4.77	339,243	5.07	5.05		
ANZ Cash Plus	AAf	7,811,646	32,016	0.40	4.74	0.36	198,494	4.77	4.77	392,027	5.22	5.05		
National Mutual Cash Enhanced	AAAm	8,004,847	34,215	0.43	5.10	0.36	203,955	4.83	4.77	354,242	5.27	5.05		
CBA Premium Cash Enhanced	AAf	5,258,834	19,614	0.36	4.26	0.36	78,450	5.07	4.77	78,449	5.33	5.05		
LG Financial Services 11am Call	AA	73,841	5,615	0.35	4.15	0.36	79,440	4.15	4.77	125,216	-	5.05		
Deutsche Cash Plus	BBB-AAA	3,616,887	14,995	0.42	5.04	0.36	98,788	5.08	4.77	116,885	5.46	5.05		
UBS Credit Cash Enhanced	BBB-AAA	5,768,630	27,091	0.47	5.58	0.36	141,752	5.16	4.77	168,631	5.51	5.05		
		38,696,841	161,130				1,001,215			1,574,693				

# Credit Ratings	Standard & Poors
Extremely strong capacity to pay	AAA
Very strong capacity to pay	AA
Adequate capacity to pay	BBB
Funds valued on a mark to market basis	f
Funds valued on an accruals basis	m

**UBSWA Bank Bill Index
-Is a performance benchmark published in the Australian Financial Review.
-The index rate can be compared to the interest rate earned by Council on its investments.

Interest Earned	\$
In January 2002	161,131 *
For 2001/2002 to 31 January –	1,012,341 **
Current estimate budget for interest earned – 2001/2002	1,504,000

Monthly earning rates for the last three months	Nov %	Dec %	Jan %
AMP Premium Treasury	0.30	0.37	0.34
ANZ Cash Plus	0.34	0.35	0.40
National Mutual Cash Enhanced	0.39	0.41	0.43
CBA Premium Cash Enhanced	0.36	0.34	0.36
LG Financial Services 11am Call	0.37	0.35	0.35
Deutsche Cash Plus	0.37	0.39	0.42
UBS Credit Cash Enhanced.	0.40	0.38	0.47
WDR Bank Bill Index	0.36	0.36	0.36

* Includes bank account interest as well as interest on investments with Managed Funds.

**Includes bank account interest and those Managed Funds no longer used.

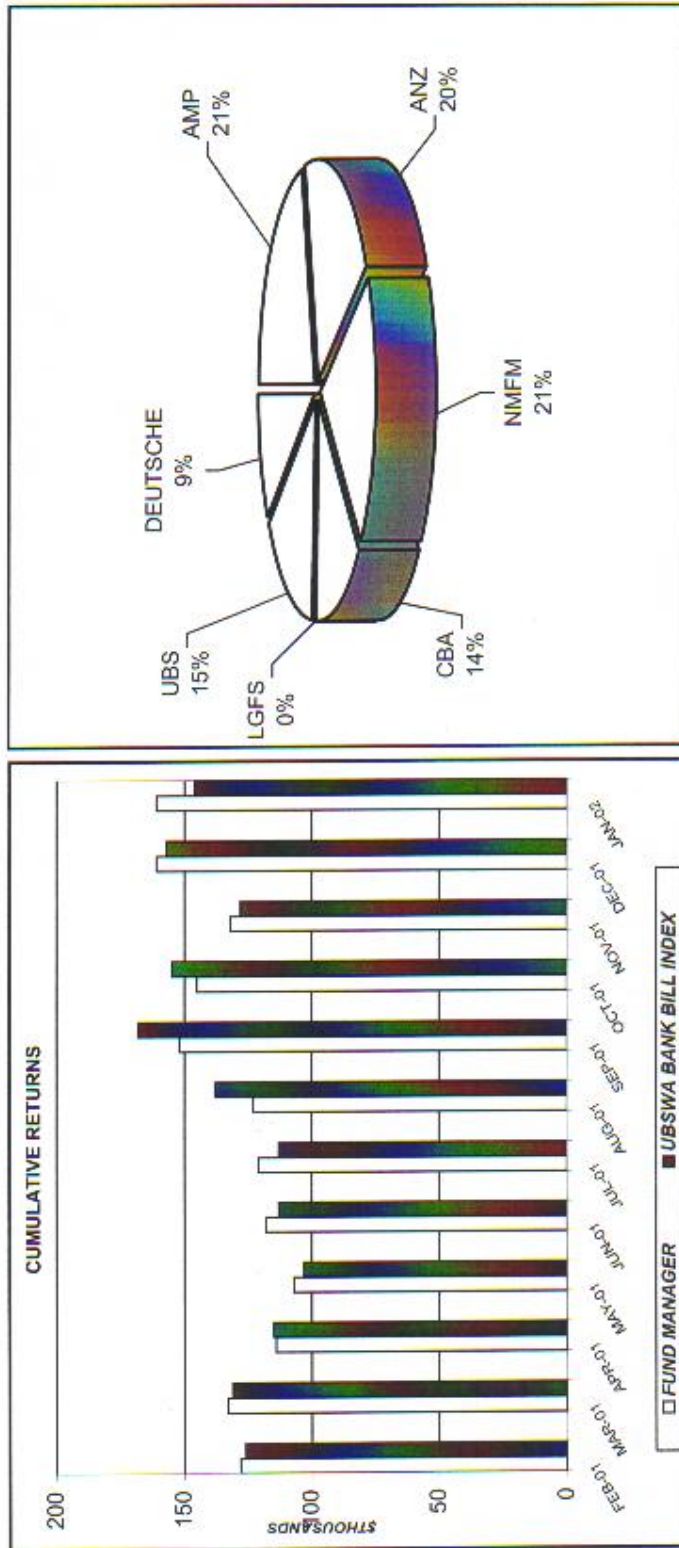
I certify that the above investments have made in accordance with the Local Government Act, the regulations and Council's investment policy No. 3.02.07.

BRIAN GREGAN

MANAGER, FINANCIAL SERVICES DIVISION

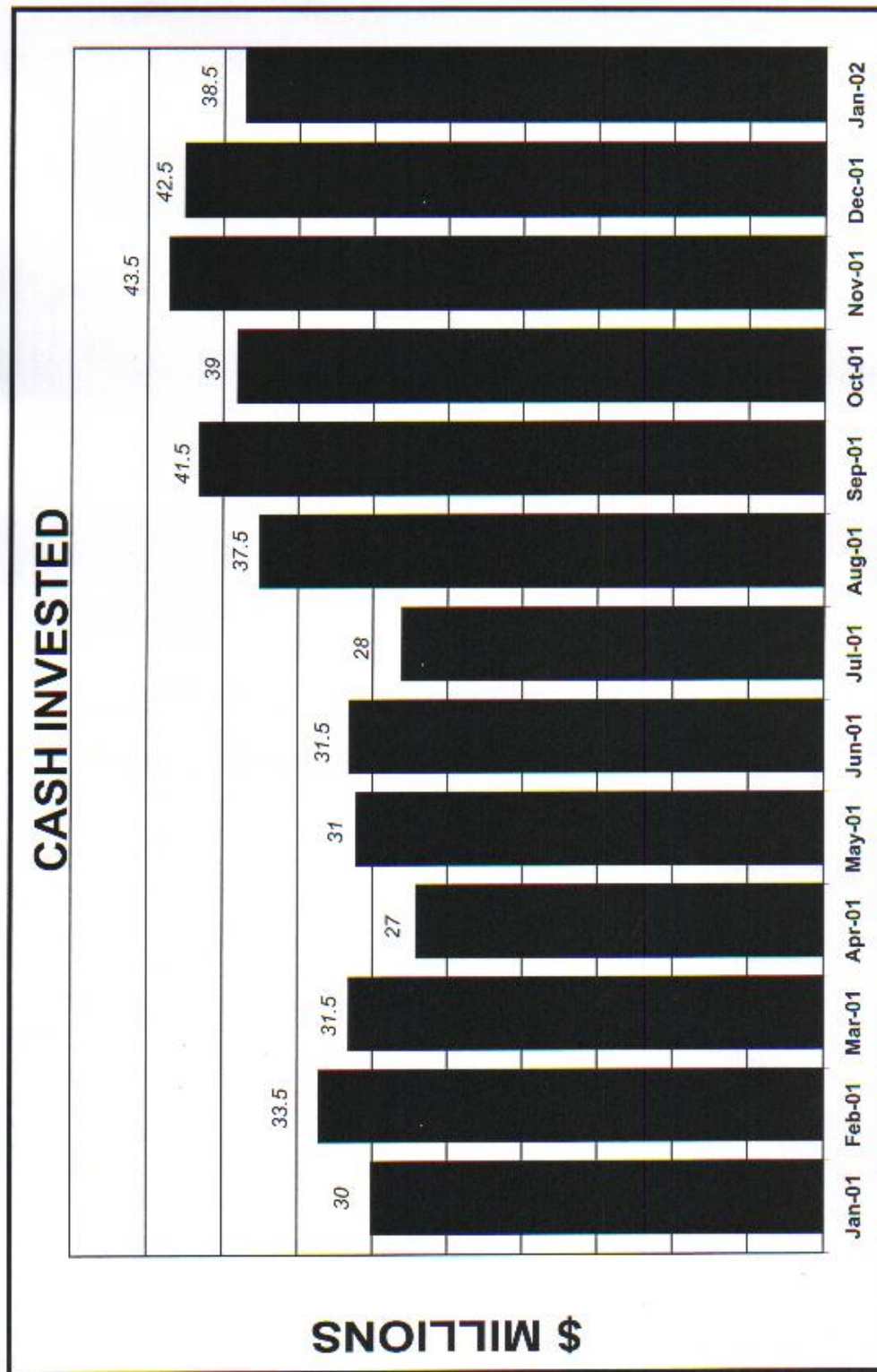
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ALL FUND MANAGER PERFORMANCE VS. UBSWA BANK BILL INDEX AS AT 31 JANUARY 2002
PERCENTAGE ALLOCATION BY FUND MANAGER



11/02/2002

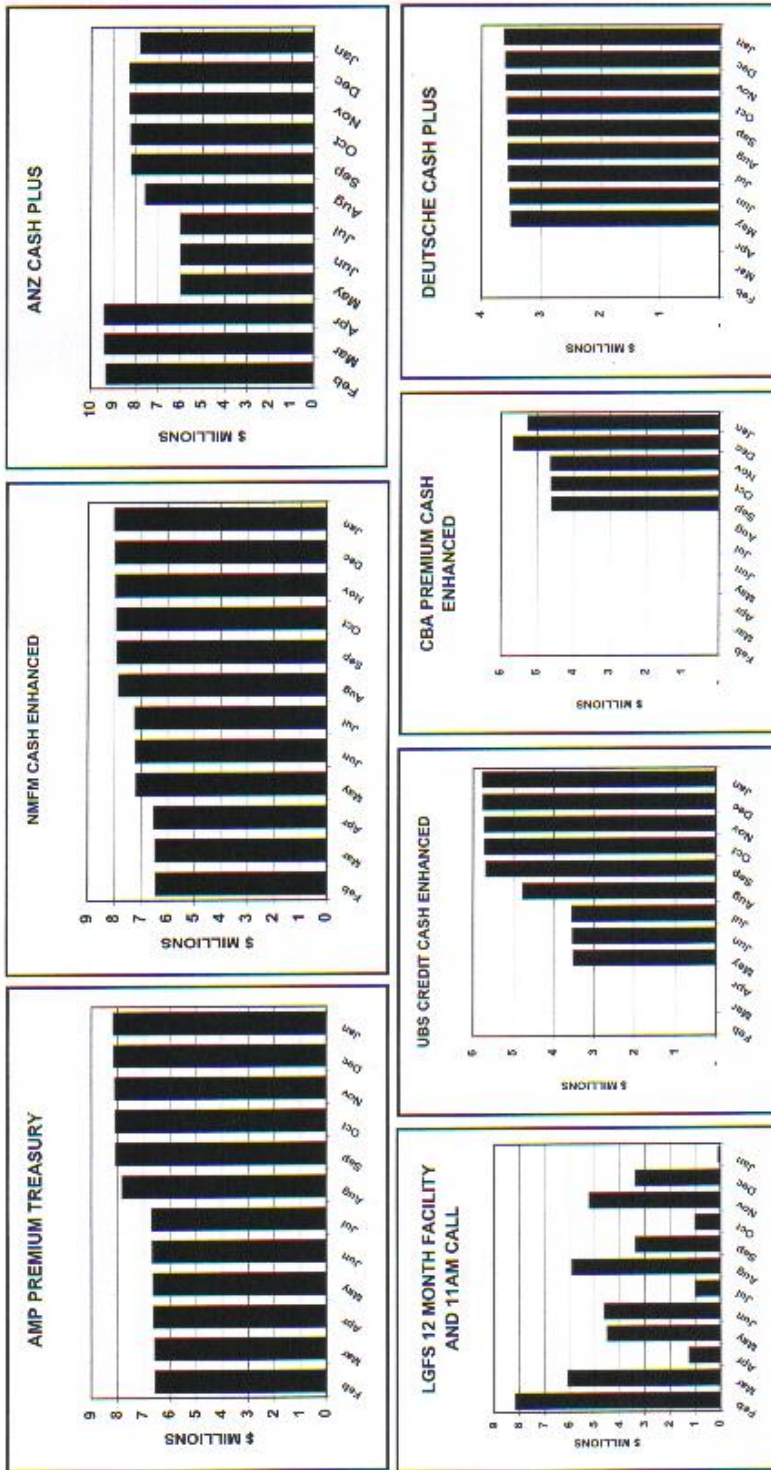
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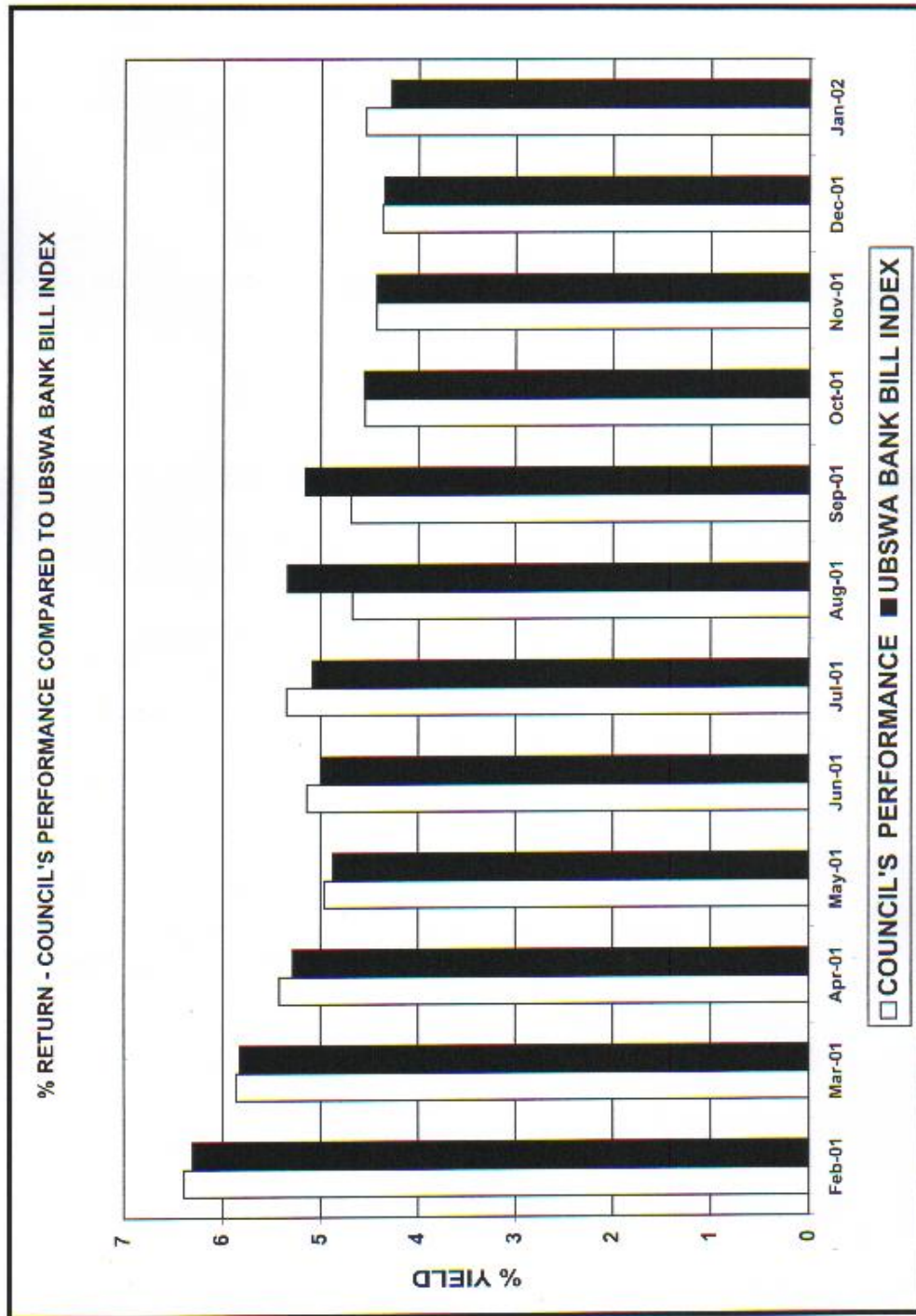
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**CASH INVESTMENTS BY FUND MANAGER
FEBRUARY 01 - JANUARY 02**



11/02/2002

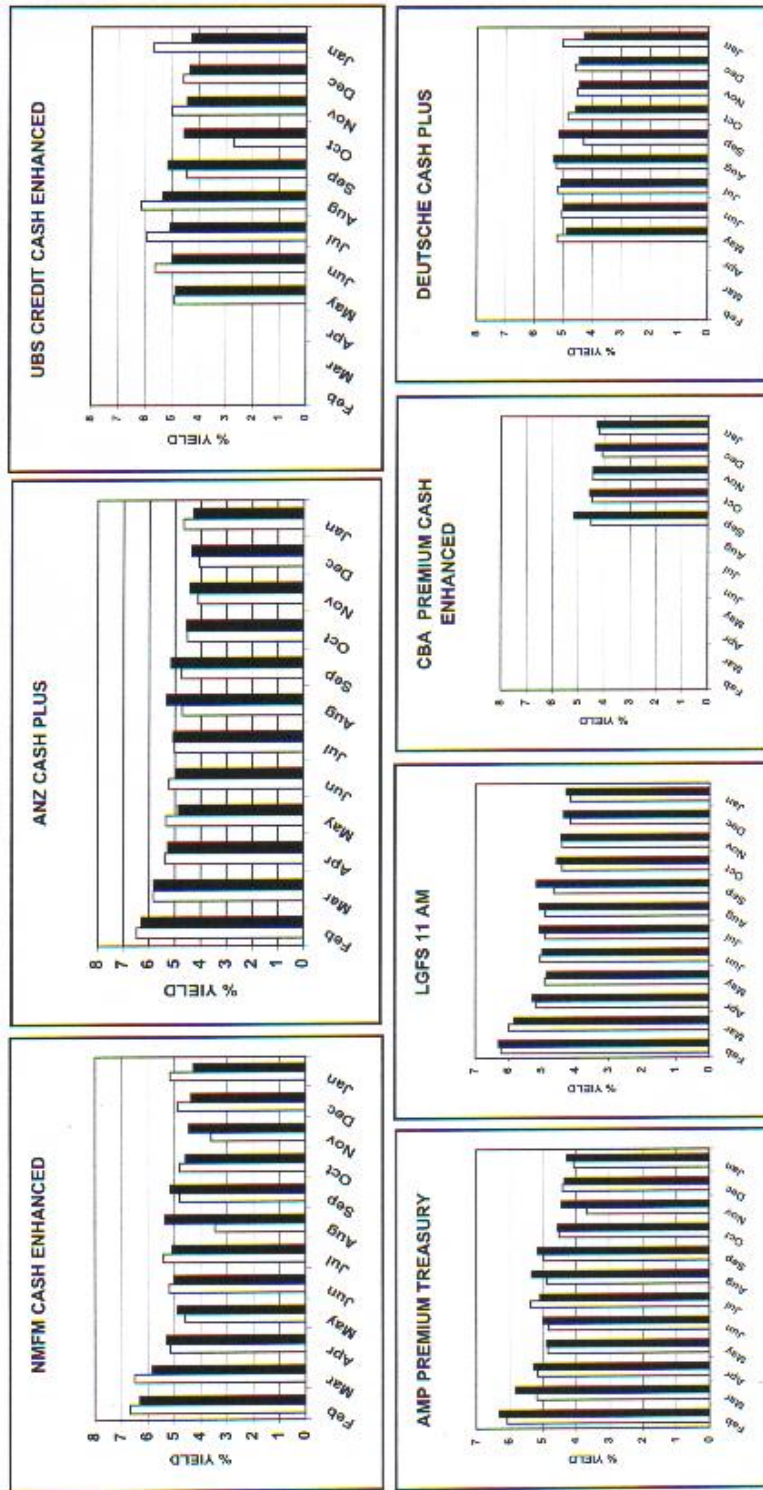
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**PERCENTAGE RETURN BY FUND MANAGER
FEBRUARY 01 - JANUARY 02**



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