

2<sup>nd</sup> April, 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, 9<sup>TH</sup> APRIL 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 5<sup>TH</sup> 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 HELD ON TUESDAY, 12<sup>TH</sup> MARCH, 2002.

**3 Addresses to Committee by the Public**

**4 Mayoral Minutes**

**5 Finance**

5.1 DIRECTOR GOVERNANCE MANAGEMENT & INFORMATION SERVICES' REPORT 8/2002 - INVESTMENT OF COUNCIL FUNDS AS AT 28 FEBRUARY 2002. 2

**6 General Business**

**7 Notice of Rescission Motions**

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GENERAL MANAGER

## ***Director Governance Management & Information Services' Report 8/2002***



<b>SUBJECT:</b>	INVESTMENT OF COUNCIL FUNDS AS AT 28 FEBRUARY 2002
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<b>DATE:</b>	14 March, 2002	<b>FILE NO:</b>	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.

Details of all investments are shown on the attachment sheet titled "Details of cash investments and analysis of investment performance as at 28 February 2002" and in the attached graphs.

### **CONCLUSION:**

All surplus cash has been invested as at 28 February 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 14 March 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 28 February 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 28 FEBRUARY 2002**

Investment Manager	Credit Ratings	Amount Invested	Interest Earned February			UBSWA Bank Bill Index %	Interest Earned Financial Year to Date		UBSWA Bank Bill Index %	Interest Earned Last 12 Months		UBSWA Bank Bill Index %
			Amount	Month	Annualised % Return		Amount	% Return		Amount	% Return	
	#	\$	\$	Month	Annualised	**	\$		**	\$	% Return	**
AMP Premium Treasury	AAf	8,188,994	26,839	0.33	3.90	0.33	227,176	4.76	4.72	336,526	4.95	4.91
ANZ Cash Plus	AAf	7,838,207	26,561	0.35	4.14	0.33	225,055	4.78	4.72	373,747	5.07	4.91
National Mutual Cash Enhanced	AAf	8,030,857	26,010	0.31	3.72	0.33	229,965	4.79	4.72	348,398	5.09	4.91
CBA Premium Cash Enhanced	AAf	5,278,449	16,341	0.31	3.66	0.33	94,790	4.97	4.72	94,790	5.15	4.91
LG Financial Services 11am Call	AA	3,579,456	3,428	0.35	4.15	0.33	82,868	4.15	4.72	122,501	-	4.91
Deutsche Cash Plus	BBB-AAA	3,632,123	15,236	0.40	4.74	0.33	114,024	5.14	4.72	132,121	5.37	4.91
UBS Credit Cash Enhanced	BBB-AAA	5,785,562	16,932	0.29	3.42	0.33	158,684	5.07	4.72	185,563	5.32	4.91
		<b>42,333,648</b>	<b>131,347</b>				<b>1,132,562</b>			<b>1,593,646</b>		

# 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 February 2002
131,347
For 2001/2002 to 28 February –
1,143,688
Current estimate budget for interest earned – 2001/2002
1,504,000

Monthly earning rates for the last three months	Dec	Jan	Feb
	%	%	%
* AMP Premium Treasury	0.37	0.34	0.33
** ANZ Cash Plus	0.35	0.40	0.35
National Mutual Cash Enhanced	0.41	0.43	0.31
CBA Premium Cash Enhanced	0.34	0.36	0.31
LG Financial Services 11am Call	0.35	0.35	0.35
Deutsche Cash Plus	0.39	0.42	0.40
UBS Credit Cash Enhanced.	0.38	0.47	0.29
<b>WDR Bank Bill Index</b>	<b>0.36</b>	<b>0.36</b>	<b>0.33</b>

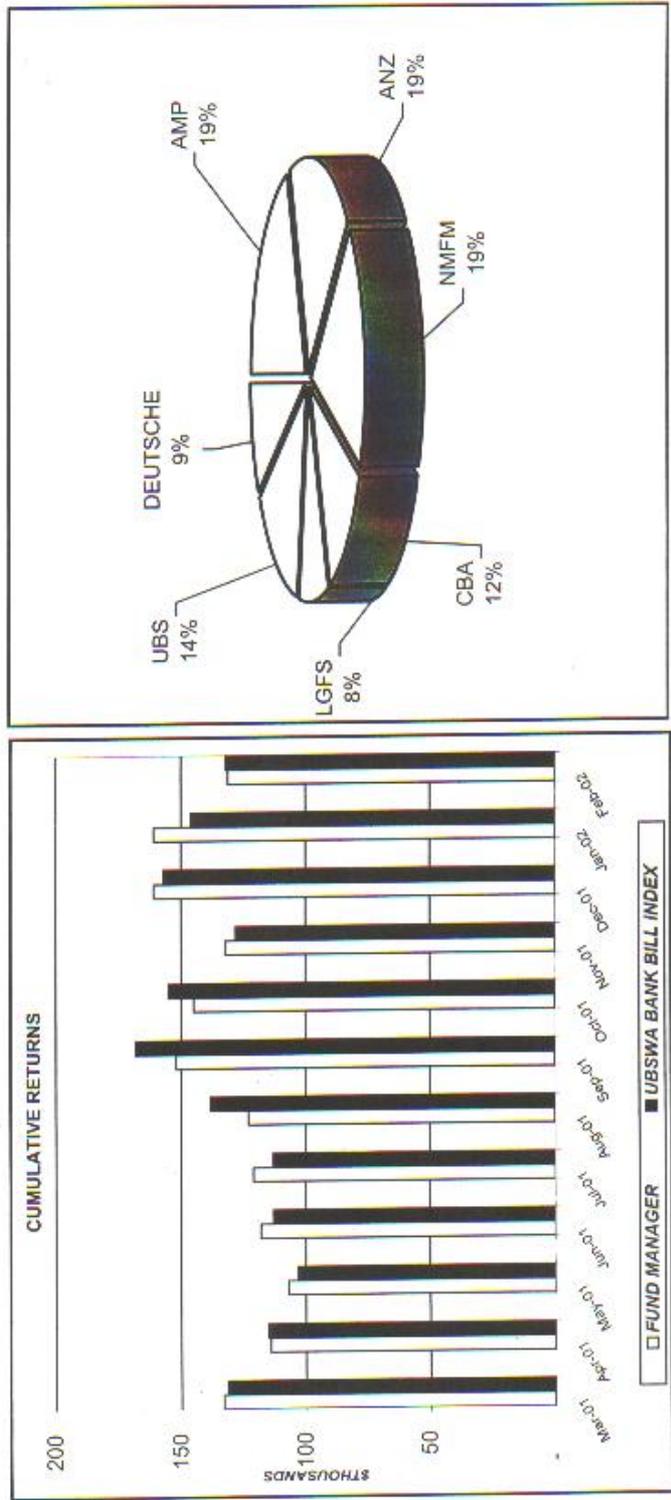
\* Includes bank account interest as well as interest on investments with Managed Funds.

\*\*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.*

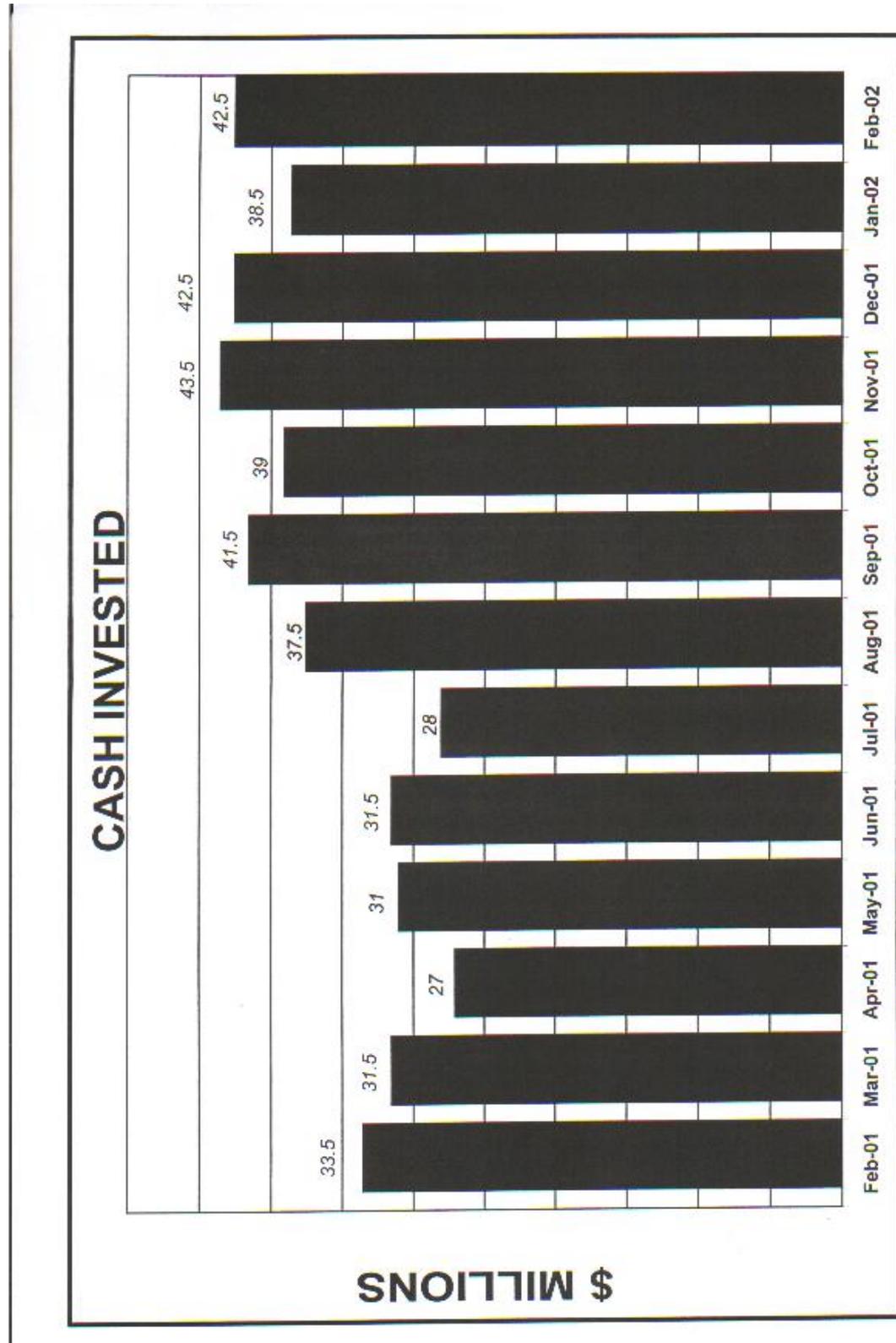
**BRIAN GREGAN**  
**MANAGER, FINANCIAL SERVICES DIVISION**  
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ALL FUND MANAGER PERFORMANCE VS. UBSWA BANK BILL INDEX AS AT 28 FEBRUARY 2002  
 PERCENTAGE ALLOCATION BY FUND MANAGER AS AT 28 FEBRUARY 2002



14/03/2002

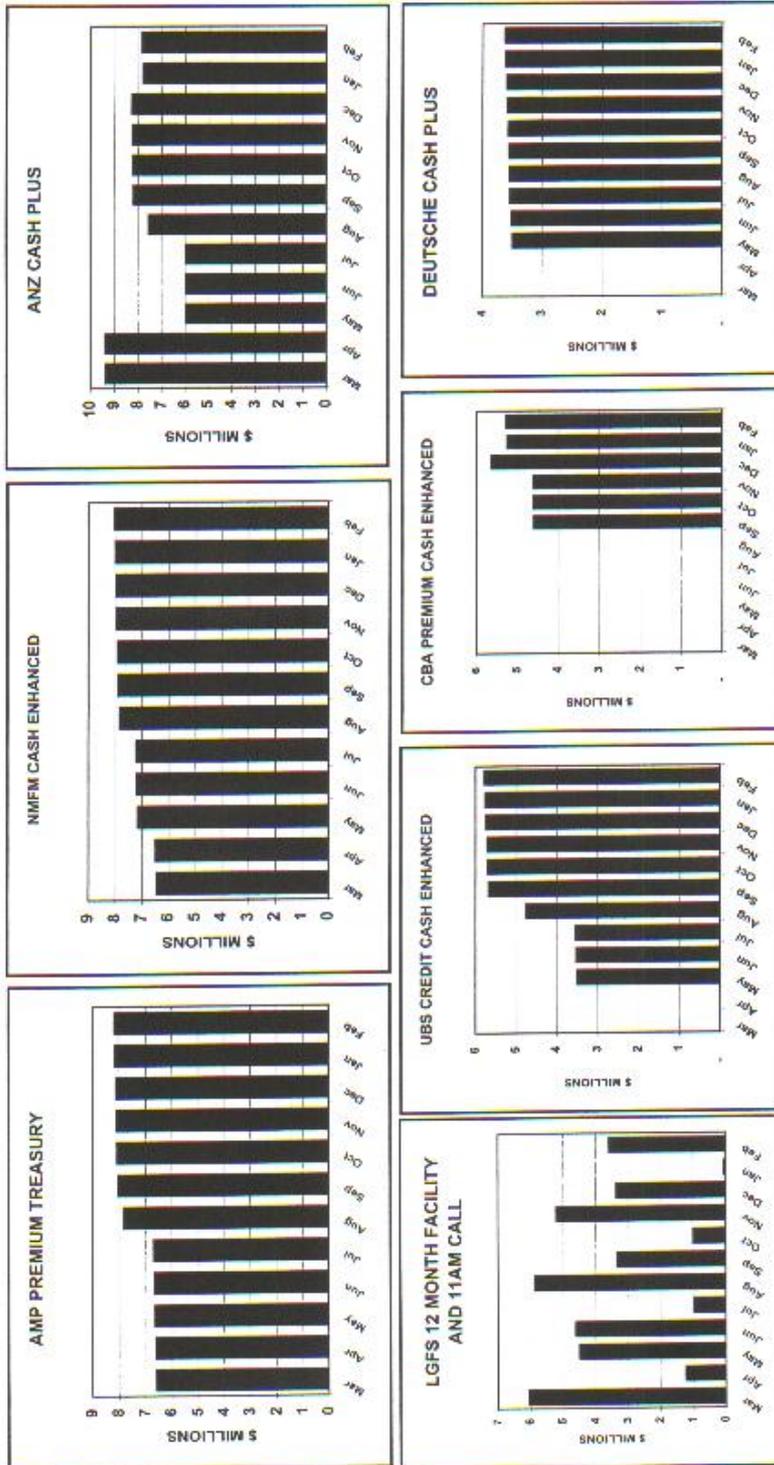
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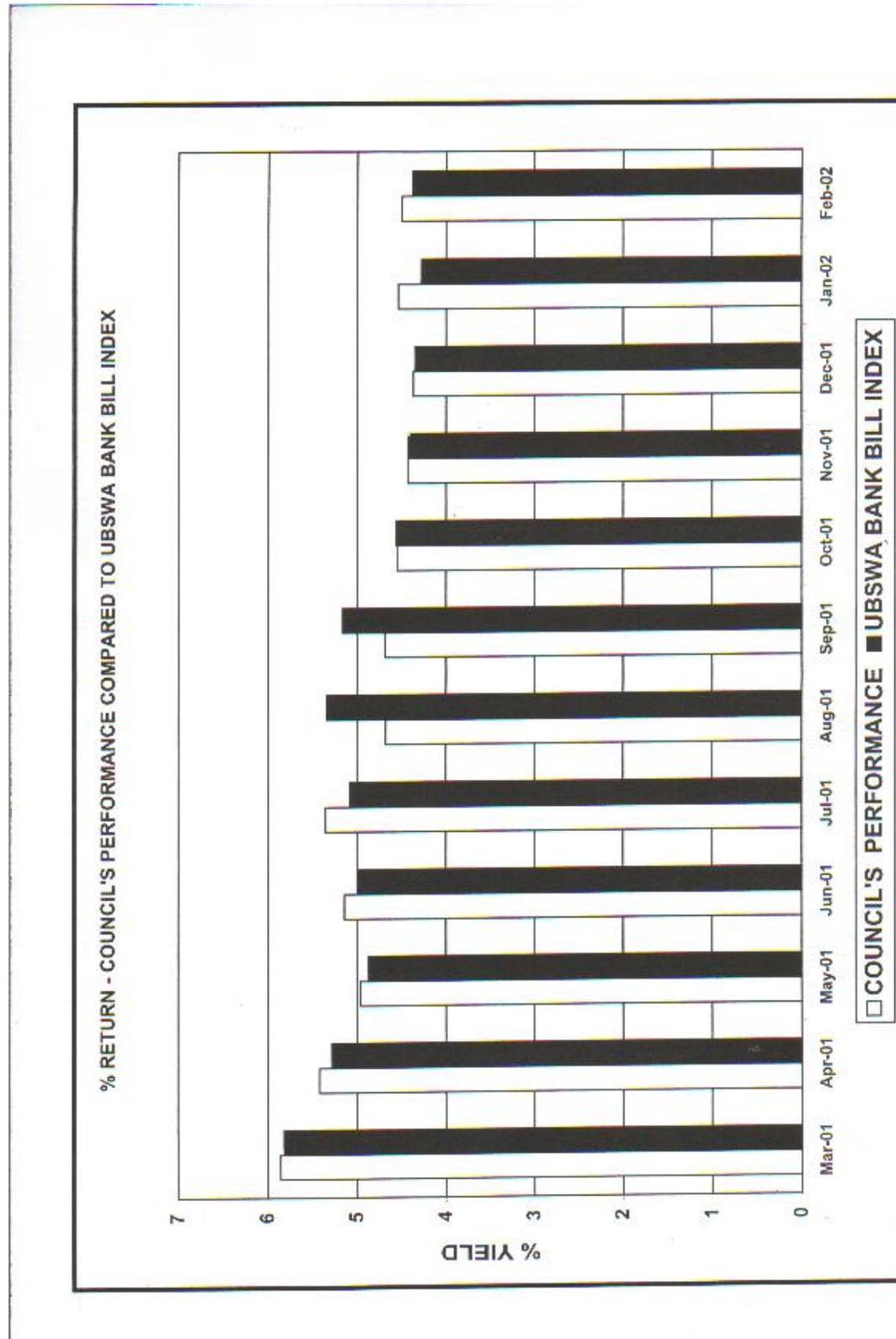
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**CASH INVESTMENTS BY FUND MANAGER  
MARCH 01 - FEBRUARY 02**



14/03/2002

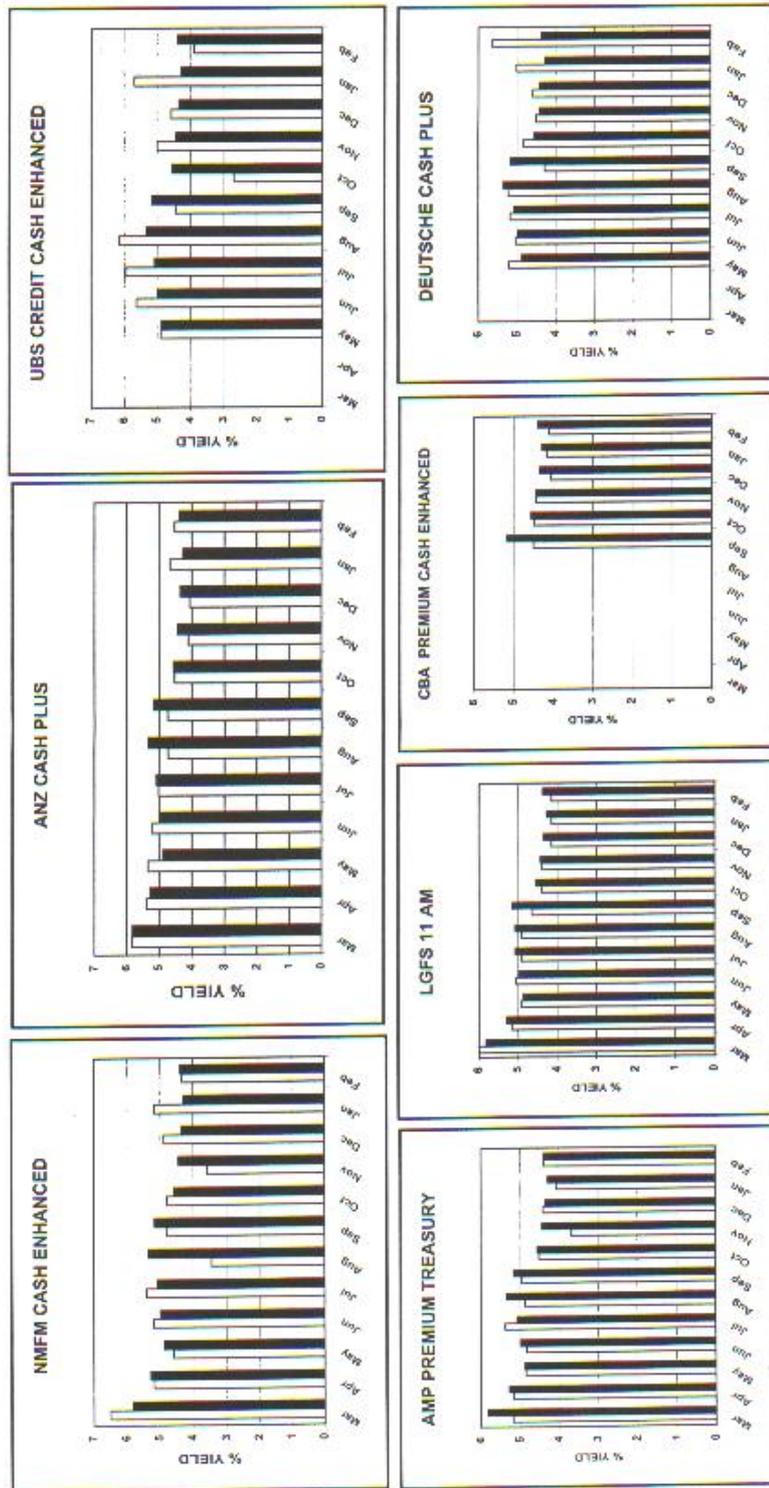
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**PERCENTAGE RETURN BY FUND MANAGER  
MARCH 01 - FEBRUARY 02**



14/03/2002

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**General Business**

**Notice of Rescission Motions**