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INCORPORATED
AS A MUNICIPALITY
22 FEBRUARY 1859
PROCLAIMED AS
A CITY JULY 1990

7 May 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, 14TH MAY 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 HELD ON TUESDAY, 9TH APRIL 2002.

3 Addresses to Committee by the Public

4 Mayoral Minutes

5 Finance

5.1 DIRECTOR GOVERNANCE MANAGEMENT & INFORMATION SERVICES' REPORT 13/2002 - INVESTMENT OF COUNCIL FUNDS AS AT 31 MARCH 2002. 2

6 General Business

7 Notice of Rescission Motions

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GENERAL MANAGER

Director Governance Management & Information Services' Report 13/2002



SUBJECT:	INVESTMENT OF COUNCIL FUNDS AS AT 31 MARCH 2002
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DATE:	9 April, 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.

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

CONCLUSION:

All surplus cash has been invested as at 31 March 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 9 April 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 March 2002.
2. Graphs (5).

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MARK HUMMERSTON
DIRECTOR GOVERNANCE
MANAGEMENT & INFORMATION
SERVICES

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BRIAN GREGAN
MANAGER, FINANCIAL
SERVICES

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

Investment Manager	Credit Ratings	Amount Invested	Interest Earned March			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	**	\$		**	\$		**	
LG Financial Services 11am Call	AA	2,932,884	14,077	0.35	4.15	4.20	96,945	4.15	4.66	122,084	-	4.77	
ANZ Cash Plus	AAf	7,867,387	29,180	0.38	4.69	4.20	254,235	4.76	4.66	357,912	4.96	4.77	
Alliance Capital Cash Enhanced	AAf	8,068,693	37,836	0.46	5.92	4.20	267,801	4.93	4.66	351,740	5.03	4.77	
CBA Premium Cash Enhanced	AAf	5,294,789	13,314	0.25	3.10	4.20	108,104	4.76	4.66	107,924	4.91	4.77	
Deutsche Cash Plus	Af	3,646,365	14,242	0.41	5.18	4.20	128,266	5.13	4.66	146,363	5.27	4.77	
Macquarie Diversified Treasury	AAA-BBB	8,017,748	17,747	0.40	5.18	4.20	17,748	5.21	4.66	17,748	5.34	4.77	
UBS Credit Cash Enhanced	Af	5,814,346	28,784	0.50	6.30	4.20	187,468	5.20	4.66	214,347	5.32	4.77	
		41,642,213	155,180				1,060,567			1,318,118			

# 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 March 2002	162,362
For 2001/2002 to 31 March –	1,306,050
Current estimate budget for interest earned – 2001/2002	
1,504,000	

Monthly earning rates for the last three months	Jan	Feb	Mar
	%	%	%
* LG Financial Services 11am Call	0.35	0.35	0.35
** ANZ Cash Plus	0.40	0.35	0.38
Alliance Capital Cash Enhanced	0.43	0.41	0.46
CBA Premium Cash Enhanced	0.36	0.34	0.25
Deutsche Cash Plus	0.42	0.39	0.41
Macquarie Diversified Treasury	0.40	0.37	0.40
UBS Credit Cash Enhanced.	0.37	0.38	0.50
WDR Bank Bill Index	0.36	0.36	0.35

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

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

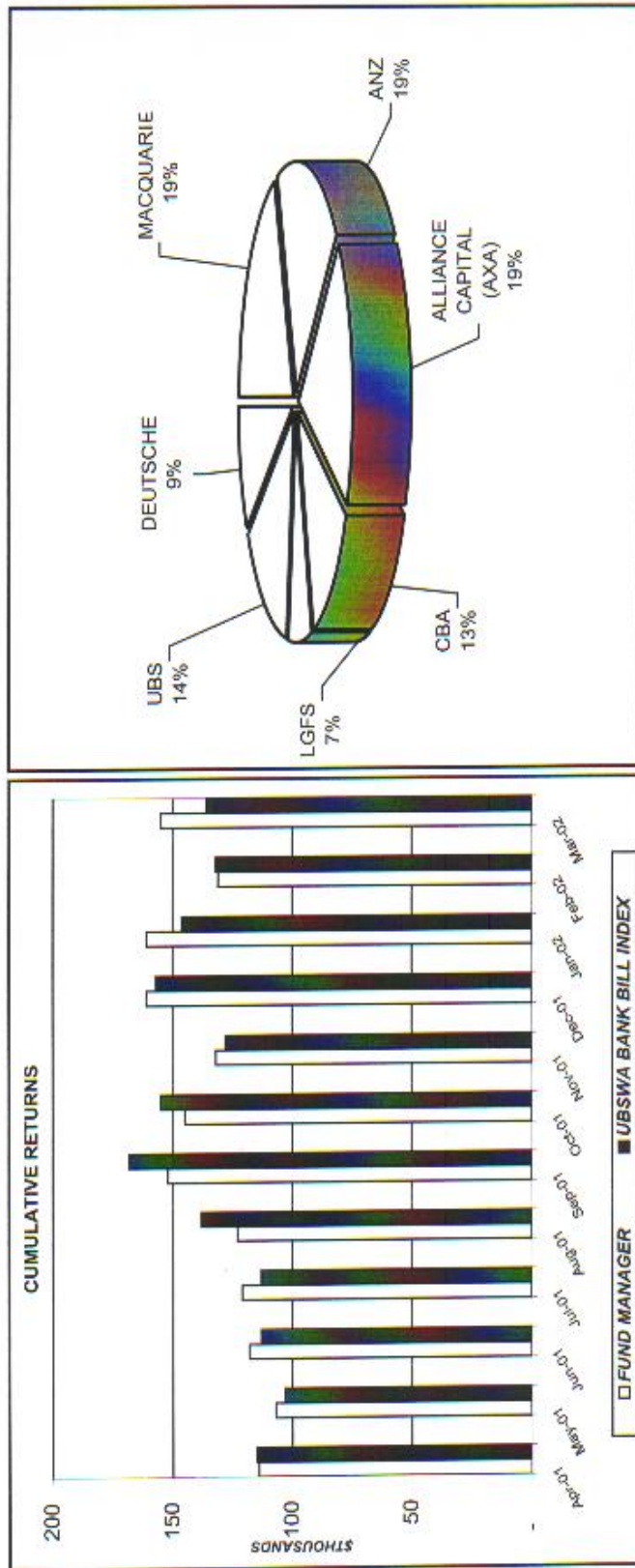
I certify that the above investments have made in accordance with the Local Government Act, the regulations and Council's investment policy No. 3.02.07.

BRIAN GREGAN

MANAGER, FINANCIAL SERVICES DIVISION

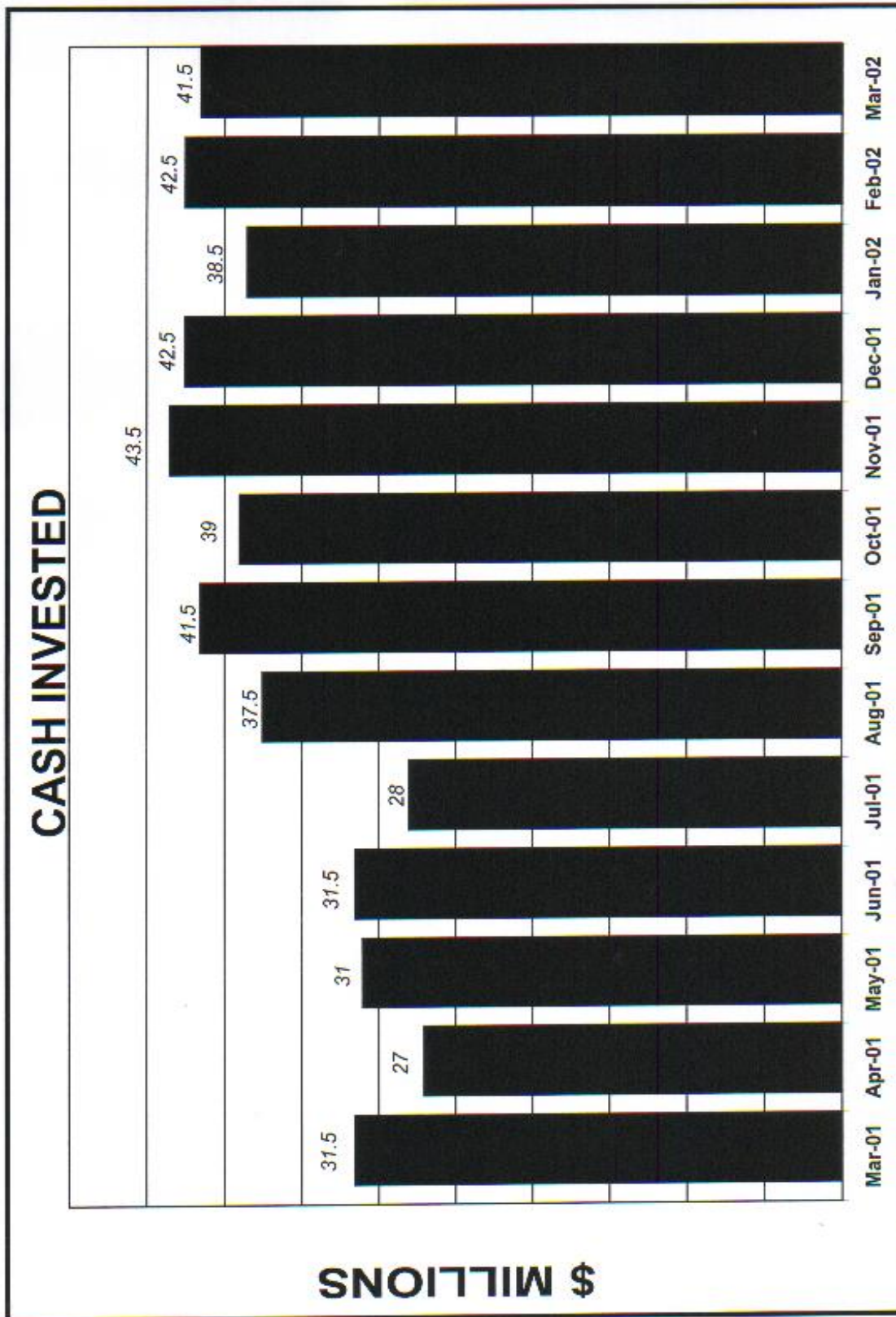
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ALL FUND MANAGER PERFORMANCE VS. UBSWA BANK BILL INDEX AS AT 31 MARCH 2002
 PERCENTAGE ALLOCATION BY FUND MANAGER



10/04/2002

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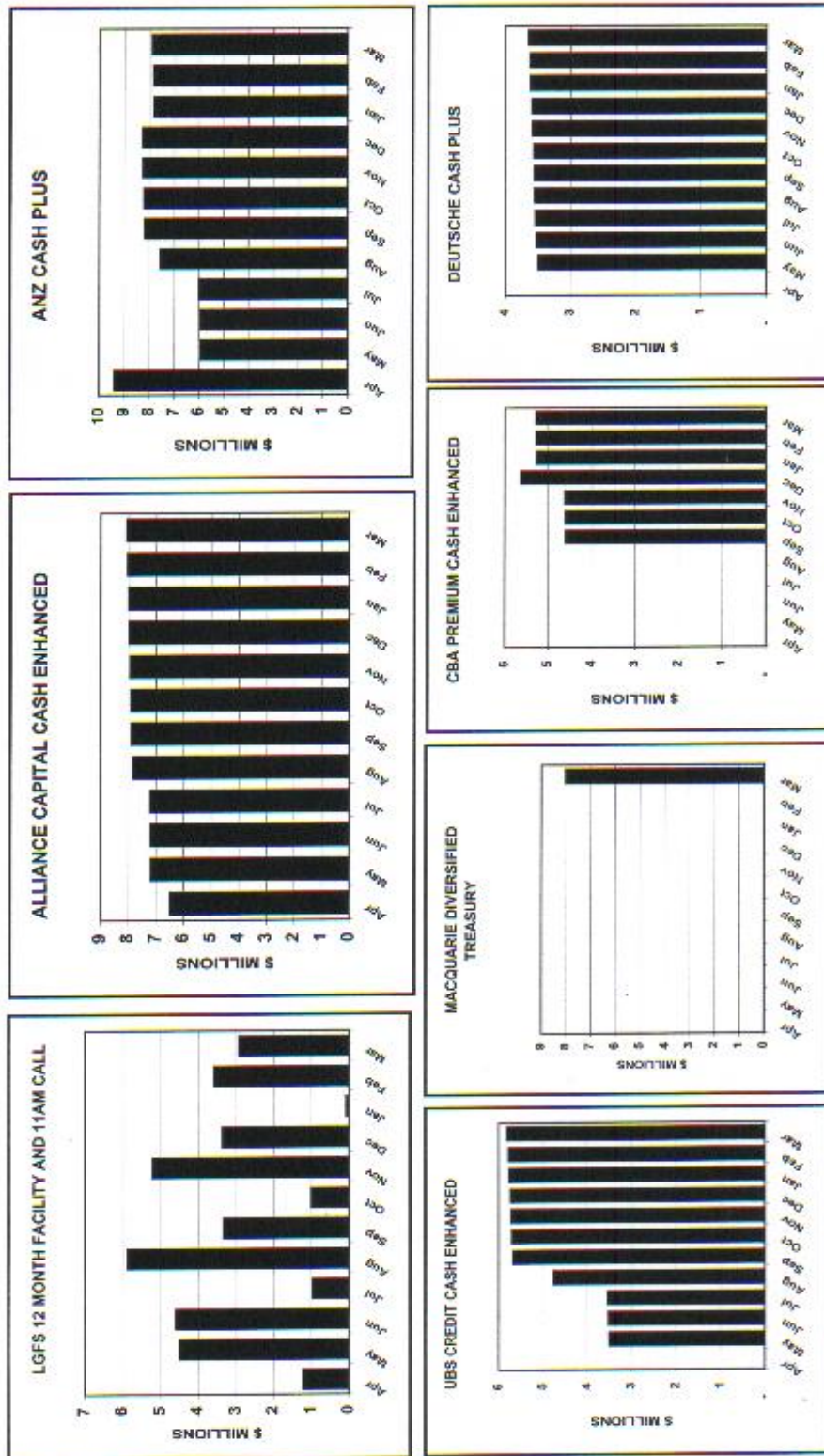


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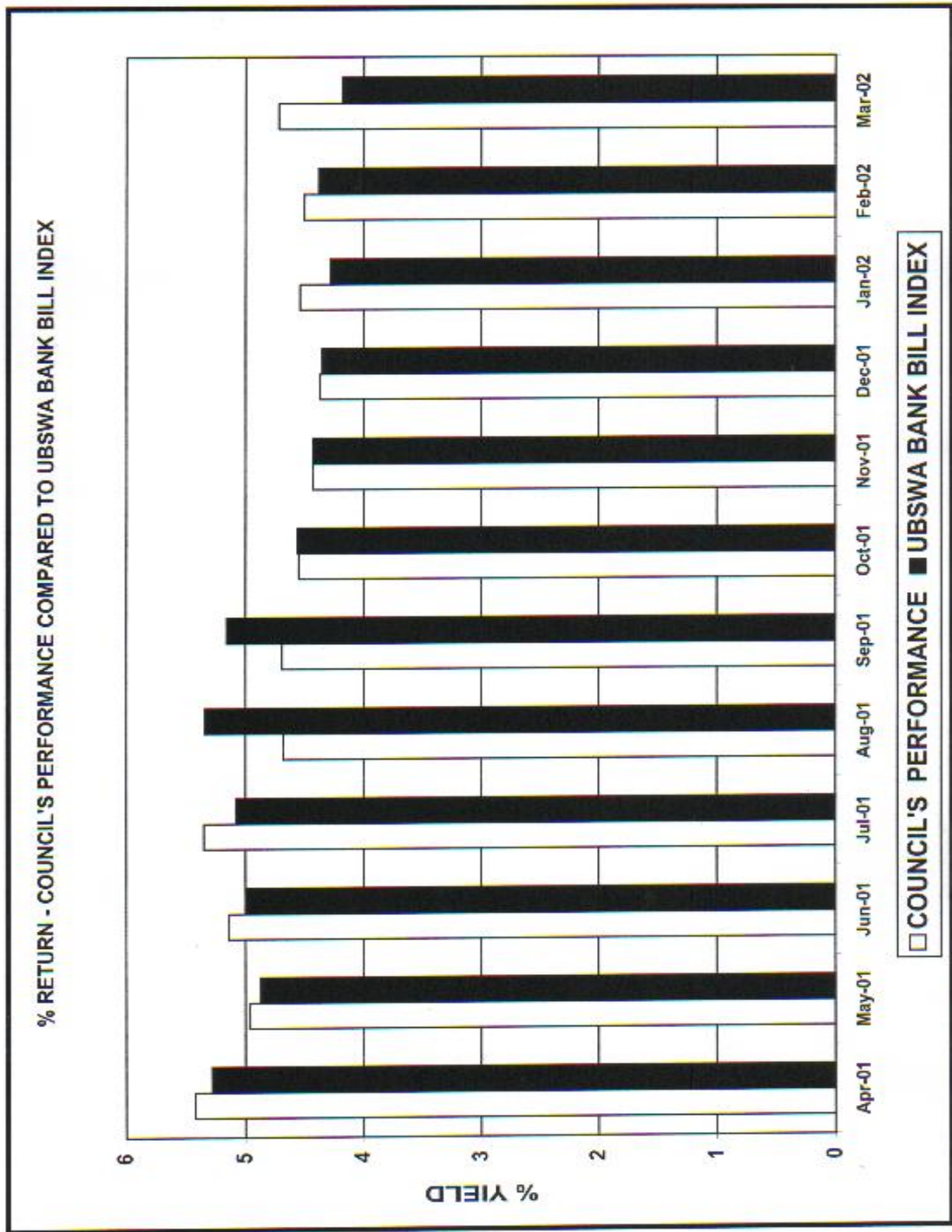
**CASH INVESTMENTS BY FUND MANAGER
APRIL 01 - MARCH 02**



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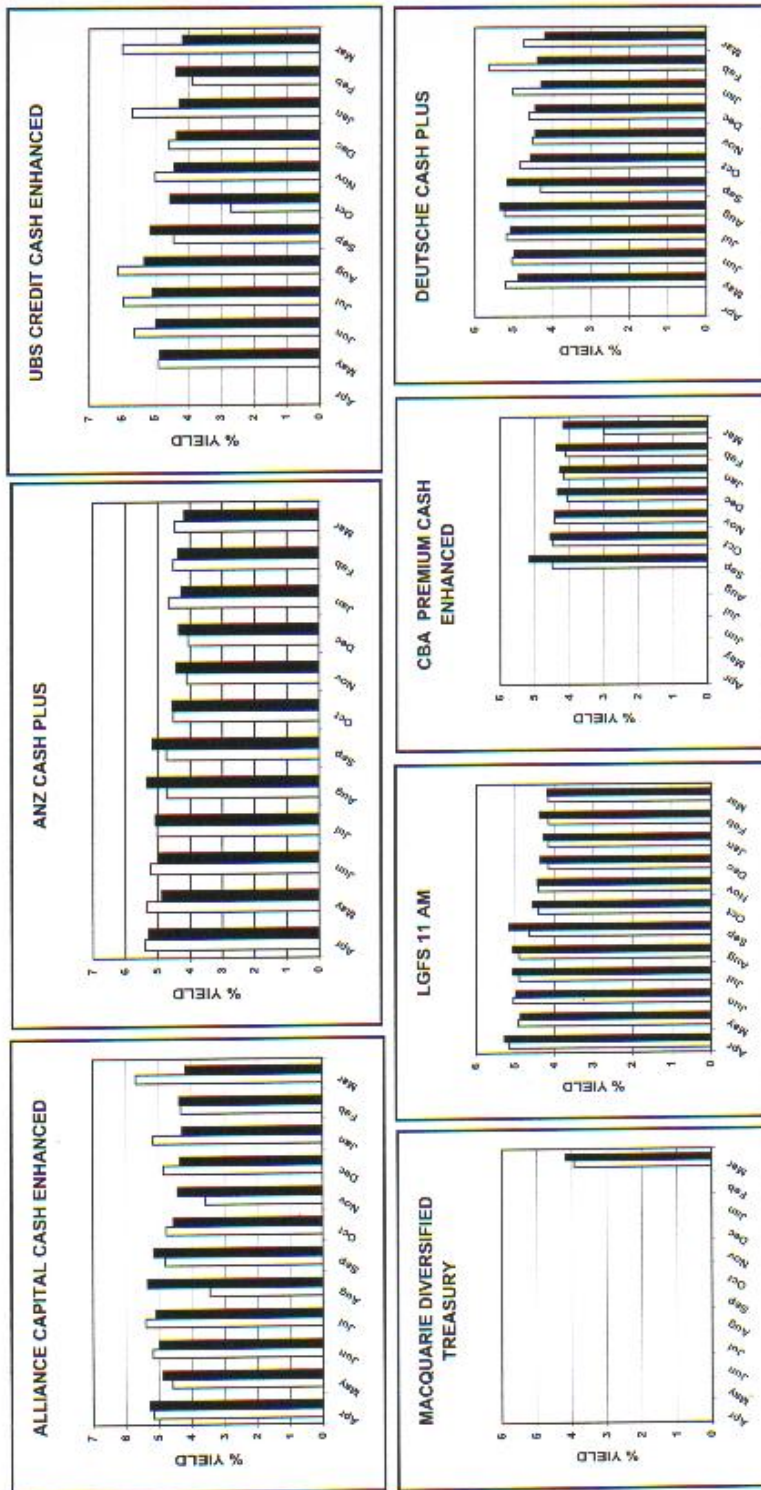


9/04/2002

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



RPT/02/002

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