



1<sup>st</sup> October, 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, 8<sup>TH</sup> OCTOBER, 2002 AT 6:00 P.M.

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 MEETING HELD ON TUESDAY, 10<sup>TH</sup> SEPTEMBER, 2002.

### 3 Addresses to Committee by the Public

### 4 Mayoral Minutes

### 5 Finance

5.1 DIRECTOR GOVERNANCE MANAGEMENT & INFORMATION SERVICES' REPORT 32/2002 - INVESTMENT OF COUNCIL FUNDS AS AT 31 AUGUST 2002. 2

5.2 **CONFIDENTIAL** DIRECTOR GOVERNANCE MANAGEMENT & INFORMATION SERVICES' REPORT 35/2002 - CORPORATE SYSTEMS REPLACEMENT PROJECT - "COUNCILS ONLINE". 11

### 6 General Business

### 7 Notice of Rescission Motions

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GENERAL MANAGER

## ***Director Governance Management & Information Services' Report 32/2002***



<b>SUBJECT:</b>	INVESTMENT OF COUNCIL FUNDS AS AT 31 AUGUST 2002
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<b>DATE:</b>	17 September, 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 31 August 2002" and in the attached graphs.

### **CONCLUSION:**

All surplus cash has been invested as at 31 August 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 17 September 2002 in relation to the investment of Council funds be noted.

**ATTACHMENT/S:**

1. Details of investments and analysis of investment performance as at 31 August 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 AUGUST 2002**

Investment Manager	Credit Ratings	Amount Invested	Interest Earned August			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	5,725,434	15,729	0.38	4.65	0.41	20,311	4.65	5.11	117,438	-	4.65
UBS Credit Cash Enhanced	Af	10,180,097	35,523	0.36	4.30	0.41	65,081	4.12	5.11	296,563	4.91	4.65
Deutsche Cash Plus	Af	10,274,993	36,429	0.37	4.40	0.41	71,179	4.55	5.11	226,416	4.99	4.65
Macquarie Diversified Treasury	Af	10,700,511	42,469	0.41	4.90	0.41	86,137	5.28	5.11	206,091	5.19	4.65
CBA Premium Cash Enhanced	AAf	6,293,919	16,716	0.43	5.16	0.41	37,445	5.22	5.11	210,637	4.72	4.65
		<b>43,174,954</b>	<b>146,866</b>				<b>280,153</b>			<b>1,057,145</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 August 2002 146,955
For 2002/2003 to 31 August – 286,117
Current estimate budget for interest earned – 2002/2003 1,500,000

Monthly earning rates for the last three months	Jun	Jul	Aug
	%	%	%
* LG Financial Services 11am Call	0.38	0.38	0.38
** UBS Credit Cash Enhanced.	0.47	0.31	0.36
Deutsche Cash Plus	0.42	0.38	0.37
Macquarie Diversified Treasury	0.43	0.44	0.41
CBA Premium Cash Enhanced	0.43	0.41	0.43
<b>WDR Bank Bill Index</b>	<b>0.39</b>	<b>0.44</b>	<b>0.41</b>

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

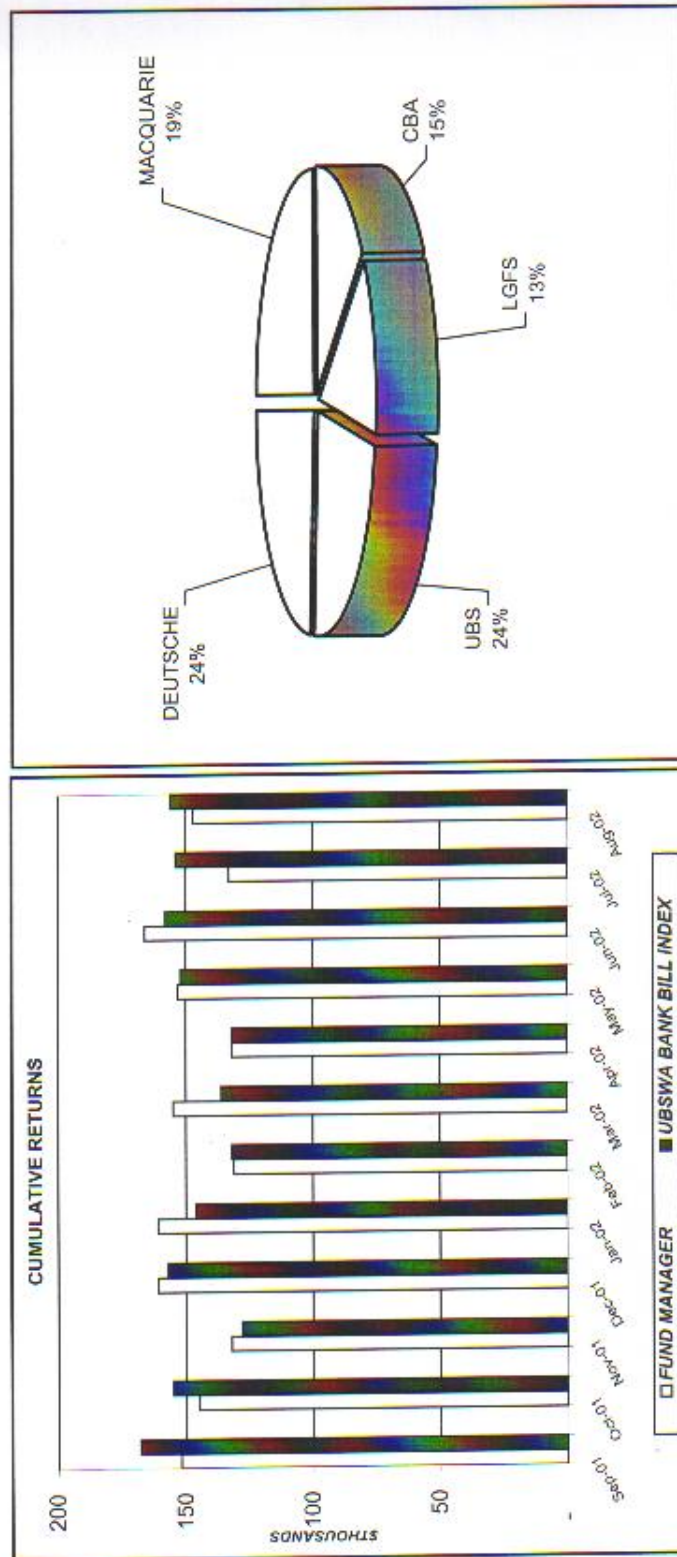
\*\*Includes bank account interest and those Managed Funds no longer used.

*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**

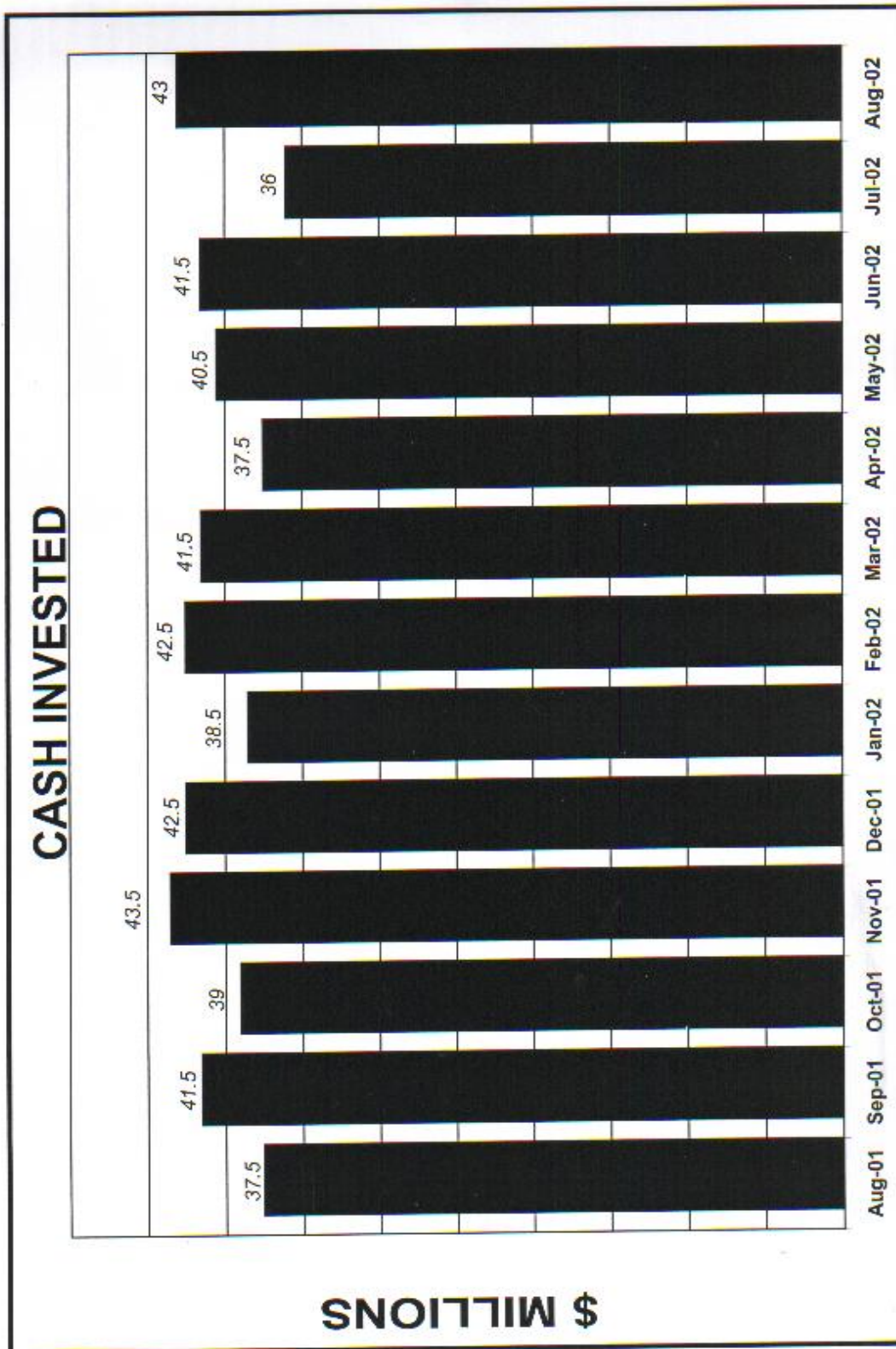
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ALL FUND MANAGER PERFORMANCE VS. UBSWA BANK BILL INDEX  
AS AT 31 August 2002



17/09/2002

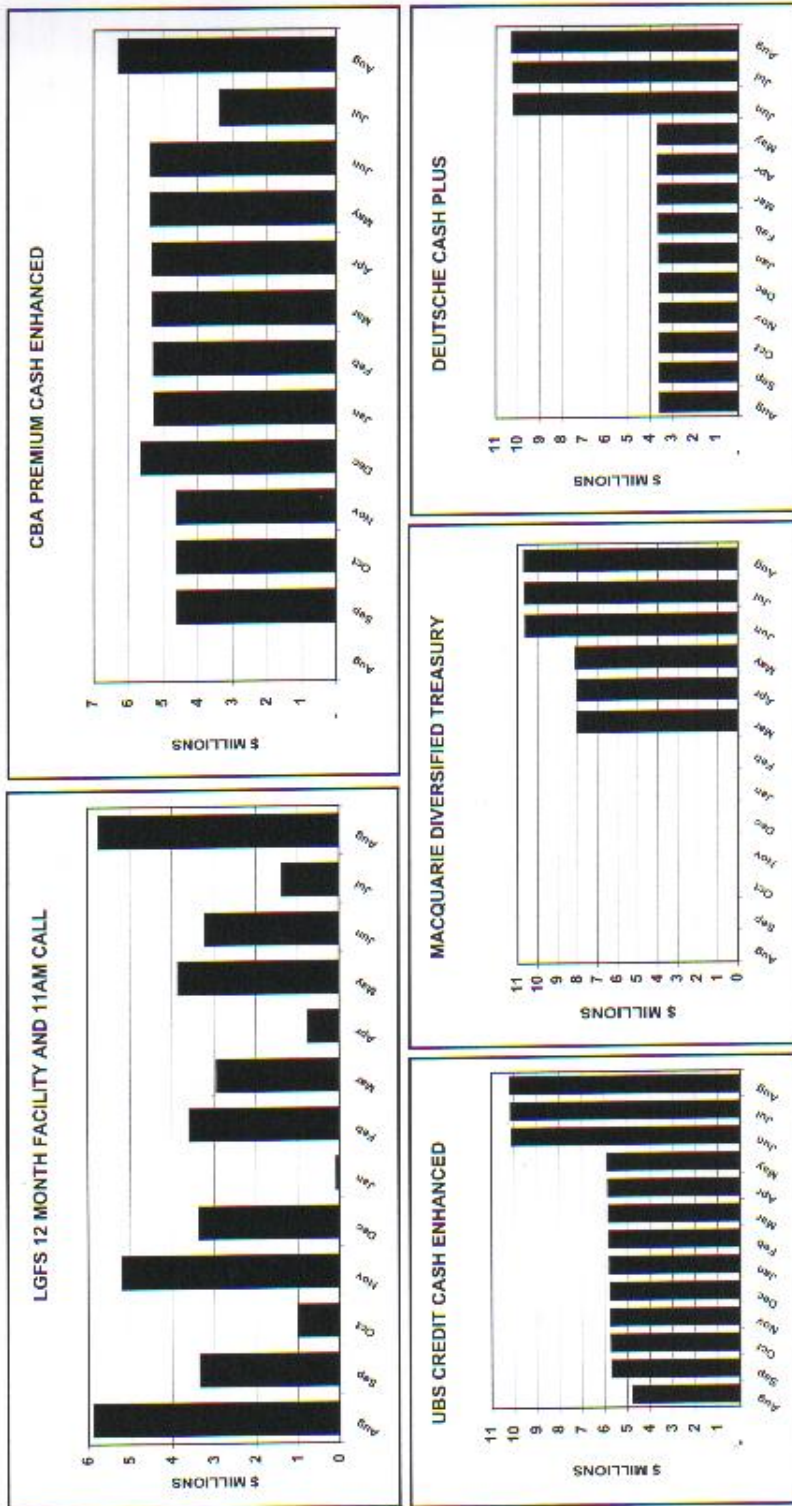
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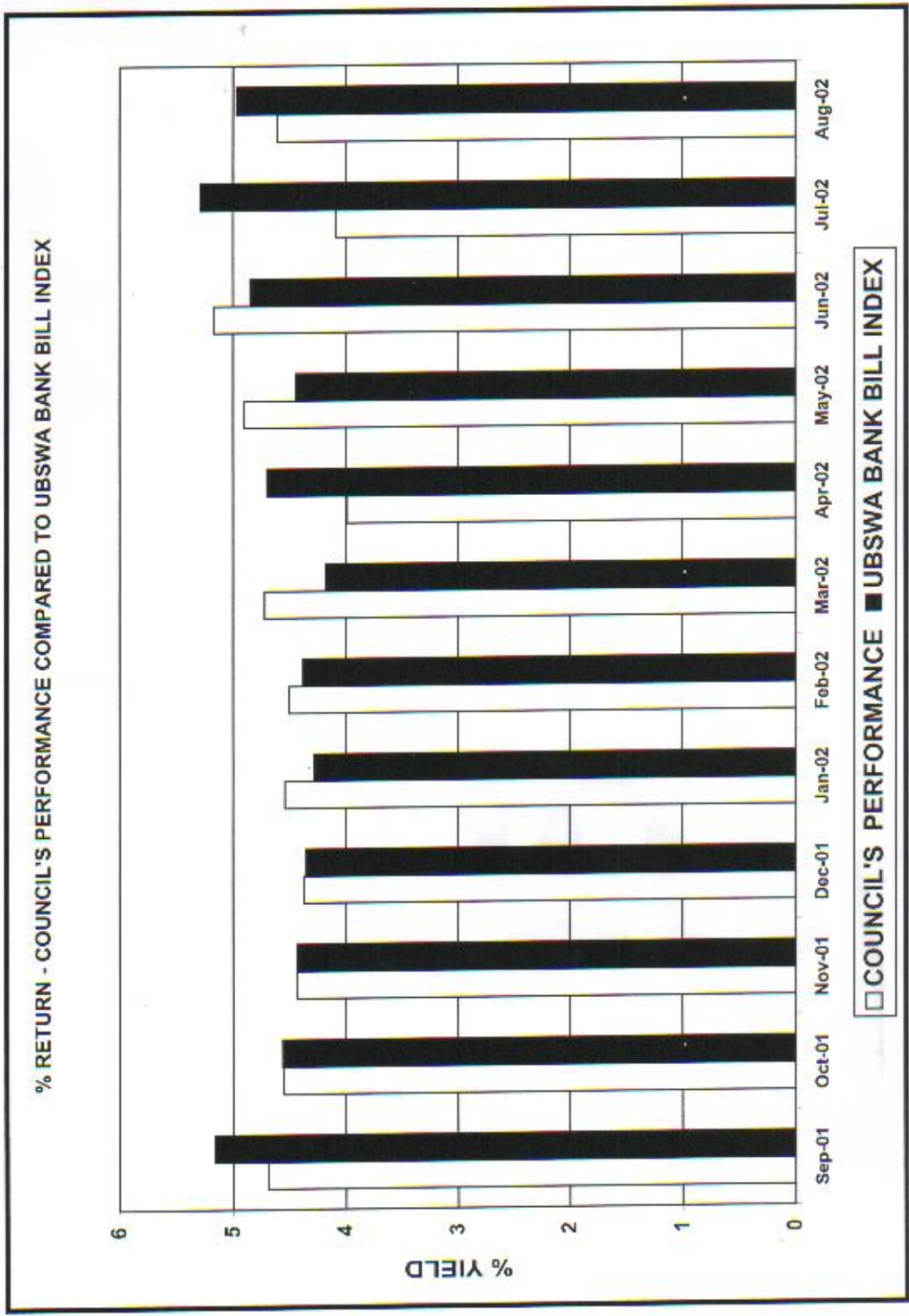
**CASH INVESTMENTS BY FUND MANAGER  
AUGUST 01 - AUGUST 02**



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PERCENTAGE RETURN BY FUND MANAGER  
 SEPTEMBER 01 - AUGUST 02

