



26th November, 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, 3RD DECEMBER, 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 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 NOVEMBER, 2002.

3 Addresses to Committee by the Public

4 Mayoral Minutes

5 Finance

- | | | |
|-----|--|----|
| 5.1 | DIRECTOR ASSET & INFRASTRUCTURE SERVICES' REPORT 142/2002 - AEOLIA STREET, RANDWICK - PROPOSED ROAD CLOSURE. | 2 |
| 5.2 | DIRECTOR GOVERNANCE MANAGEMENT & INFORMATION SERVICES' REPORT 42/2002 - INVESTMENT OF COUNCIL FUNDS AS AT 31 OCTOBER 2002. | 7 |
| 5.3 | DIRECTOR GOVERNANCE MANAGEMENT & INFORMATION SERVICES' REPORT 43/2002 - DEBTORS - WRITING-OFF MONIES DUE TO COUNCIL . | 16 |

6 General Business

7 Notice of Rescission Motions

.....
GENERAL MANAGER

Director Asset & Infrastructure Services' Report 142/2002



SUBJECT:	AEOLIA STREET, RANDWICK - PROPOSED ROAD CLOSURE
-----------------	---

DATE:	21 November, 2002	FILE NO:	R/0010/00
--------------	-------------------	-----------------	-----------

REPORT BY: DIRECTOR ASSET & INFRASTRUCTURE SERVICES

INTRODUCTION:

Council at its meeting held on 8 June 1999, considered the proposed partial road closure of Aeolia Street, Randwick and resolved:

“That Council make application to close and sell the section of Aeolia Street shown on the survey plan subject to -

1. *All survey and legal costs to be borne by the Catholic Education Office.*
2. *A mutually acceptable valuer being retained by Council and paid for by the Catholic Education Office to determine the value of the subject land subject to the valuation being referred back to Council for consideration.*
3. *Catholic Education Office ensuring that none of the public utility authorities including AGL, Energy Australia, Telstra etc have any objection to the closure and sale of the subject land; and*
4. *The Catholic Education Office advising the Council of the acceptance of all of the above conditions and providing Council with payment the application fee and all other fees required by the Department of Land and Water Conservation prior to Council making application for this closure.*

Following a Motion Pursuant to Notice Council at its meeting held on 22 June 1999, resolved:

“That Council defer execution of its resolution of 8 June, 1999 shown above, relating to the Aeolia Street road closure request to allow time for the consideration of how the opportunity can be used to minimise existing parking problems in The Spot and East Ward Councillors consult with the Director of Planning and Environment on this matter prior to a submission of a further report to Council.”

ISSUES:

Following the above resolutions, some discussions took place with the College and the Catholic Education Office as a result of the College wishing to develop their land abutting the St Pauls St section of the site. The representatives of the Catholic Education Office indicated as part of these discussions that there was another section of unmade, unnamed laneway off Coogee Bay Road which was being utilised as a landscape curtilage for one of the college buildings which should also be officially closed and transferred to the College.

As a result of a Mayoral Minute which was submitted to Council for consideration at an Administration and Finance Committee Meeting held on 14 May, 2002, Council resolved:

“That subject to Council approving a DA for a multi-purpose centre for the school, retail space and a four level carpark on the St Pauls Street frontage of the College:

- 1. Council endorse in principle the proposal to sell the two parcels of surplus roadway land at Aeolia Street and the unmade lane off Coogee Bay Road adjacent to the Brigidine site to the CEO.*
- 2. The Mayor and General Manager negotiate on behalf of Council a contribution from the proceeds of the sale of these two parcels of land to the CEO to enable the construction of an additional level of underground car parking for 46 cars as a commercial public car park.*
- 3. The final outcome of negotiations to be submitted to Council for approval.”*

A number of meetings were held between the CEO representatives and Council Officers. The aim of the negotiations was to provide a commercially viable public carpark at The Spot with spaces dedicated for use by the public. The Council would not have any say in the running of the carpark except that there would have been some type of caveat or encumbrance to ensure that the carpark would have been available to the public in perpetuity. Council’s contribution would have been the transferral of the 2 unused public roads discussed above to the college. Council officers sought and received valuations for these 2 sections of unused road which came to \$500,000 for Aeolia Street and \$220,000 for the unnamed laneway off Coogee Bay Road.

In an Email, received a few months ago, the CEO representative indicated that the Brigidine Sisters Provincial Council did not *“want any caveat placed on their property that might encumber the options that the future Trustees may have in disposing of the property.”* As a result, the proposal for the development of a public car park was not pursued any further.

The following letter dated 31 October, 2002 was subsequently received from The CEO:

“As you are aware, for many years Brigidine College has occupied and used two areas of land that are in the ownership of Randwick Council. This permitted use has a long history and there have been a number of attempts by both Randwick Council and the Brigidine Sisters to regularise the situation.

This matter needs to be finalised in its own right and not associated with any other development that the College is considering.

The Catholic Education Office accepts the valuations prepared for Council by Errol Ferdinands AAPI. These valuations were:

<i>Aeolia Street 706.8 m2):</i>	<i>\$500,000</i>
<i>“Laneway” to Coogee Bay Road (313.3m2):</i>	<i>\$220,000</i>
<i>Total:</i>	<i>\$720,000</i>

The properties will be purchased in the name of “The Trustees of the Roman Catholic Church for the Archdiocese of Sydney”.

Mr Bill d’Apice of Makinson and d’Apice, Solicitors and Notaries, will act on behalf of the Trustees. Mr d’Apice can be contacted at Level 18, 68 Pitt Street Sydney, (phone number: 9233 7788).

I would be grateful if you can bring this offer to the notice of the Randwick Council.”

The application is an attempt to formalise an existing situation since both of the subject parcels of land appear to be part of the school at the present time and have not been used by the public for a considerable period of time. However these parcels are still classified as roads and must be closed in compliance with the Roads Act, 1993 before they can be transferred to the school.

Council also has a responsibility to dispose of its assets in a responsible manner and it is considered that any disposal of this land (should the closures proceed) should be subject to a sale dependent on a market value of this parcel of land, set by an independent valuer agreed to be both Council and agents acting for the College. It is considered that due to the time lag involved in the negotiations, a new valuation should be sought and used to assess the current value of this land.

All costs involved in the application, including survey, legal, application and valuation costs, should be borne by the college or its agents as is the normal practice in these matters.

CONCLUSION:

Council and the public do not currently have use of these parcels of land as public roads and they appear to be surplus to Council’s needs.

Any applications to close these roads must comply with Sections 33, 34, 35, 36, 37 and 38 of the Roads Act 1993. Council, as the roads authority, would need to apply for these closures on behalf of the Catholic Education Office and the Department of Land and Water Conservation is the determining authority. The Department could then advertise the proposals as required by the Roads Act, 1993.

Particular attention needs to be given to Section 38 2(b) which states:

- “2. *The land comprising a former road:*
- (b) *in the case of a public road that was previously vested in a council (other than a public road in respect of which no construction has ever taken place), remains vested in the council*
- (c) *in any other case becomes (or, if previously vested in the Crown, remains) vested in the Crown as Crown land”*

Council should therefore note that there is no guarantee that Council will be the beneficiary of the sale of these two parcels of land, in particular the unnamed lane off Coogee Bay Road which currently comprises a landscaped curtilage to one of the college buildings. Even so it is still considered appropriate that Council as the roads authority and because of the reasonable nature of this request should take the initial step of applying to the Department to close and sell the relevant section of Aeolia Street and the unmade, unnamed laneway off Coogee Bay Road.

RECOMMENDATION:

That Council make application to close and sell the section of Aeolia Street shown as Area 1 in Attachment A and the section of unnamed unmade lane off Coogee Bay Road shown as Area 2 in Attachment A, subject to:

- a. All survey and legal costs to be borne by the Catholic Education Office.
- b. A mutually acceptable valuer being retained by Council and paid for by the Catholic Education Office to determine the value of the subject lane.
- c. Catholic Education Office ensuring that none of the public utility authorities including AGL, Energy Australia, Telstra, etc. have any objection to the closure and sale of the subject lane.
- d. The Catholic Education Office advising the Council of the acceptance of all of the above conditions and providing Council with payment of the application fee and all other fees required by the Department of Land and Water Conservation prior to Council making application for this closure.

ATTACHMENT/S:

Attachment A

.....
MICK SAVAGE
DIRECTOR ASSET &
INFRASTRUCTURE SERVICES

.....
FRANK ROTTA
MANAGER DESIGN



Director Governance Management & Information Services' Report 42/2002

SUBJECT:	INVESTMENT OF COUNCIL FUNDS AS AT 31 OCTOBER 2002
-----------------	---

DATE:	18 November, 2002	FILE NO:	98/S/0745
--------------	-------------------	-----------------	-----------

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 October 2002" and in the attached graphs.

CONCLUSION:

All surplus cash has been invested as at 31 October 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 18 November 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 October 2002.
2. Graphs (5).

.....
MARK HUMMERSTON
DIRECTOR GOVERNANCE
MANAGEMENT & INFORMATION
SERVICES

.....
BRIAN GREGAN
MANAGER, FINANCIAL
SERVICES

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

Investment Manager	Credit Ratings	Amount Invested	Interest Earned October			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	3,464,093	18,596	0.38	4.65	0.42	61,837	4.65	5.10	131,034	-	4.67
UBS Credit Cash Enhanced	Af	11,624,060	5,560	0.06	0.70	0.42	109,044	3.38	5.10	307,551	4.70	4.67
Deutsche Cash Plus	Af	11,752,587	38,706	0.30	3.56	0.42	148,773	4.42	5.10	277,407	4.90	4.67
Macquarie Diversified Treasury	Af	11,797,318	43,675	0.39	4.66	0.42	182,944	5.27	5.10	302,899	5.26	4.67
CBA Premium Cash Enhanced	AAf	7,439,259	31,847	0.44	5.28	0.42	97,915	5.24	5.10	247,282	4.78	4.67
		46,077,316	138,384				600,513			1,266,173		

# 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 October 2002	138,384
For 2002/2003 to 31 October –	607,996
Current estimate budget for interest earned – 2002/2003	1,500,000

Monthly earning rates for the last three months	Aug	Sept	Oct
	%	%	%
* LG Financial Services 11am Call	0.38	0.38	0.38
** UBS Credit Cash Enhanced.	0.36	0.35	0.06
Deutsche Cash Plus	0.37	0.37	0.30
Macquarie Diversified Treasury	0.41	0.45	0.39
CBA Premium Cash Enhanced	0.43	0.40	0.44
WDR Bank Bill Index	0.41	0.41	0.42

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

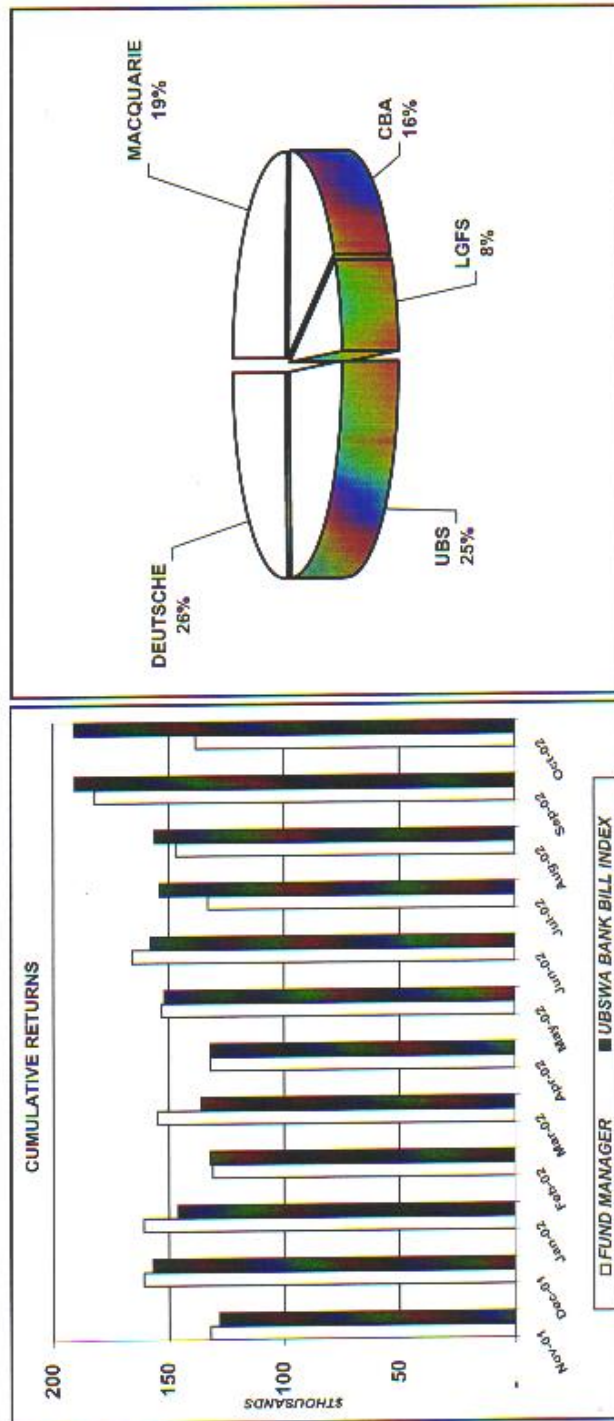
** Includes bank account interest and those Managed Funds no longer used.

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

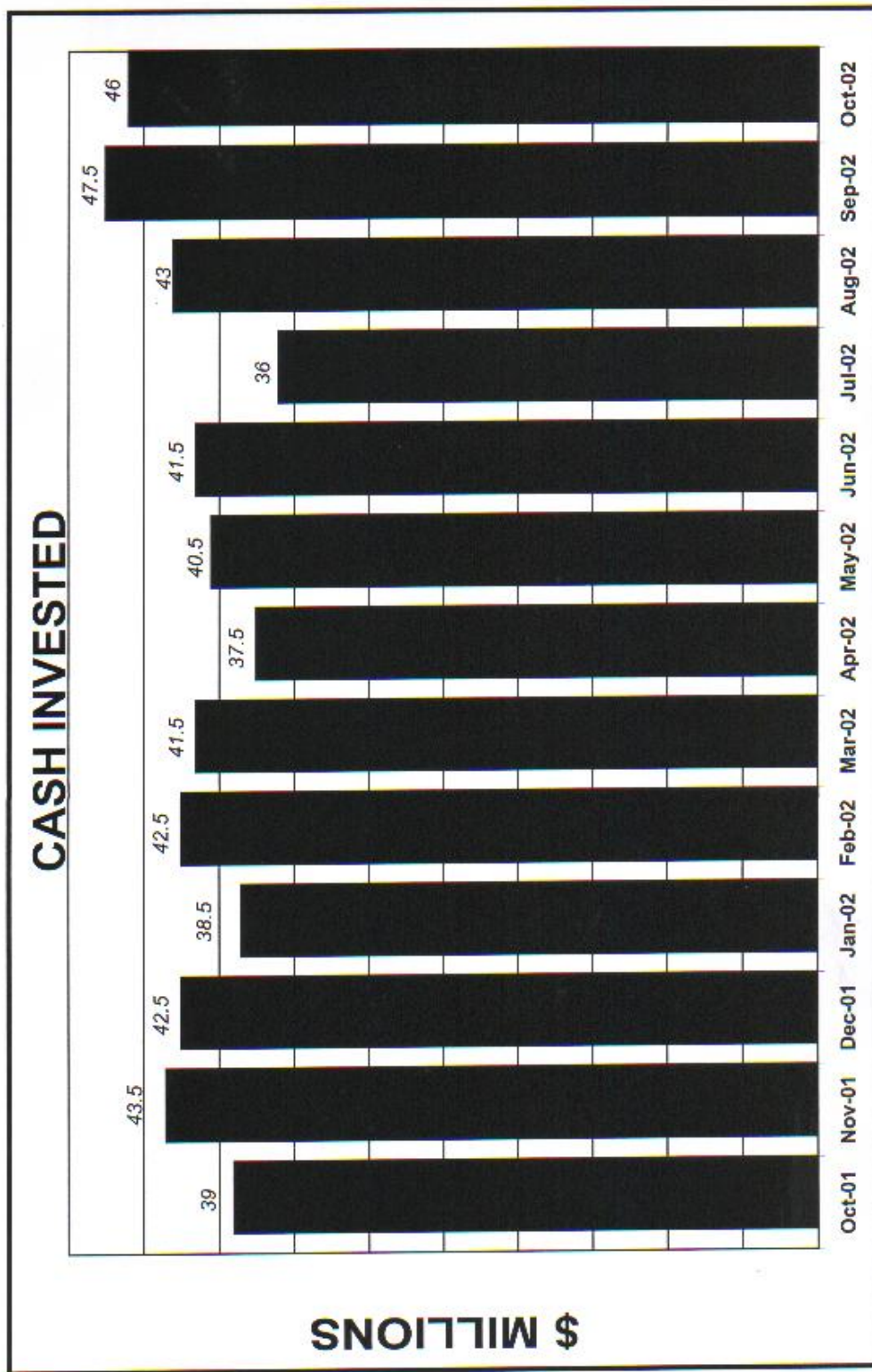
G:\COUNCIL\COMMITTE\Finserv\Investment report 31.10.02.doc

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

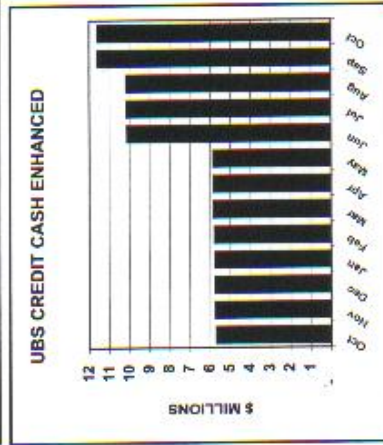
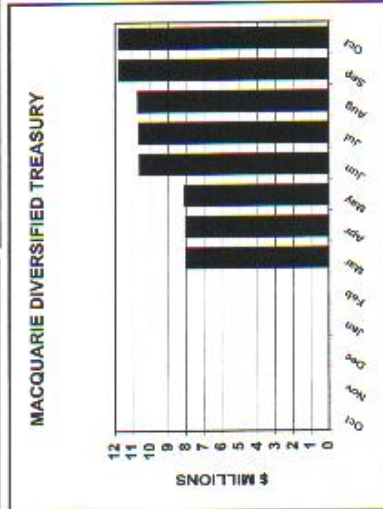
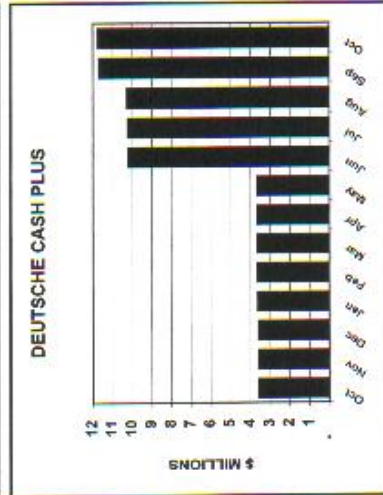
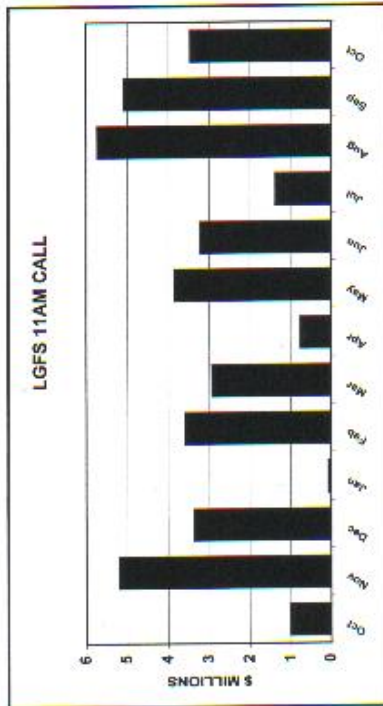
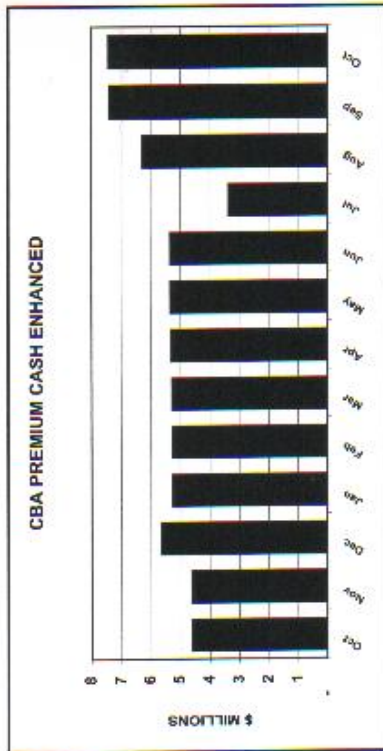


18/11/02

\\fs01\audit\audit\2002\20021031\02_41107a.xls



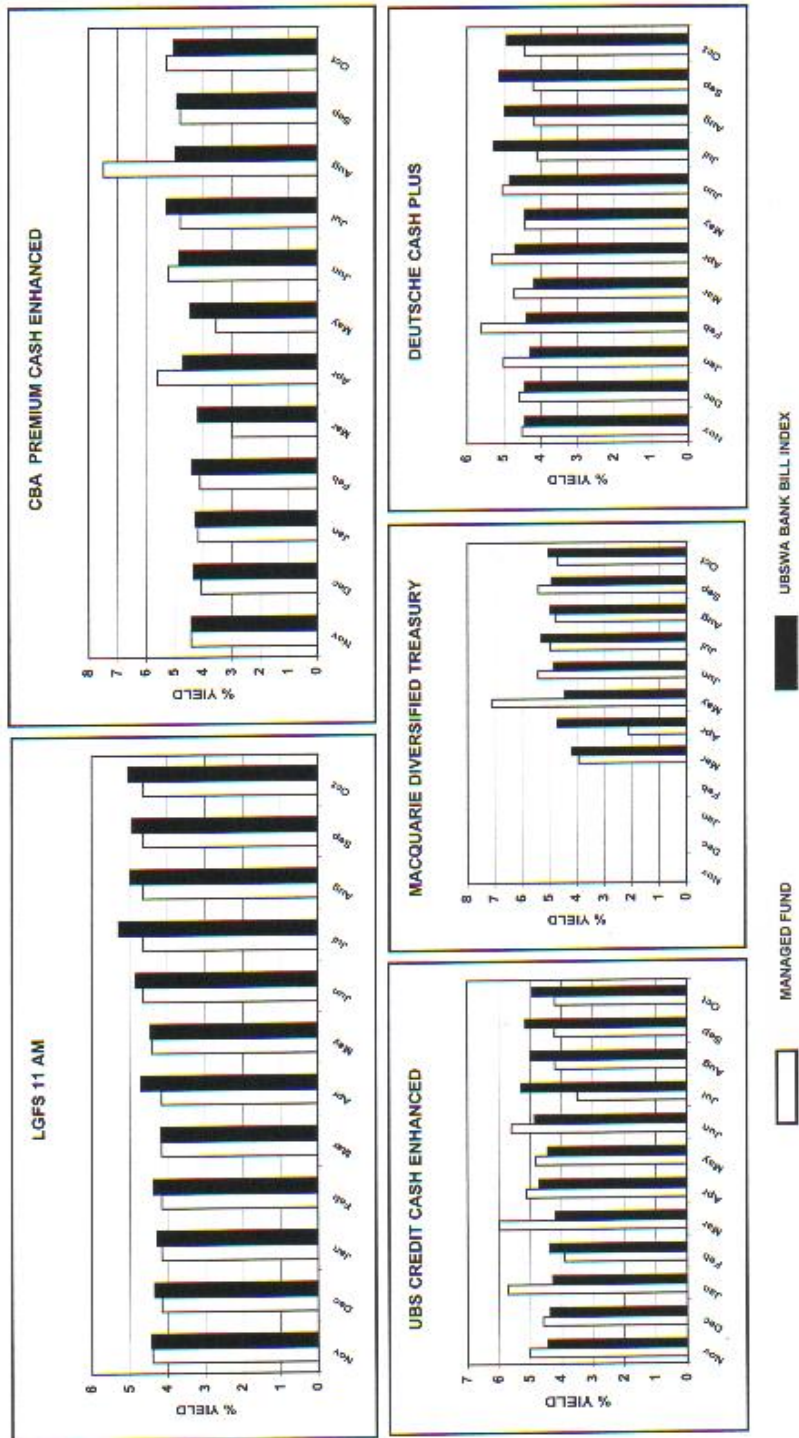
**CASH INVESTMENTS BY FUND MANAGER
OCTOBER 01 - OCTOBER 02**



18/11/02

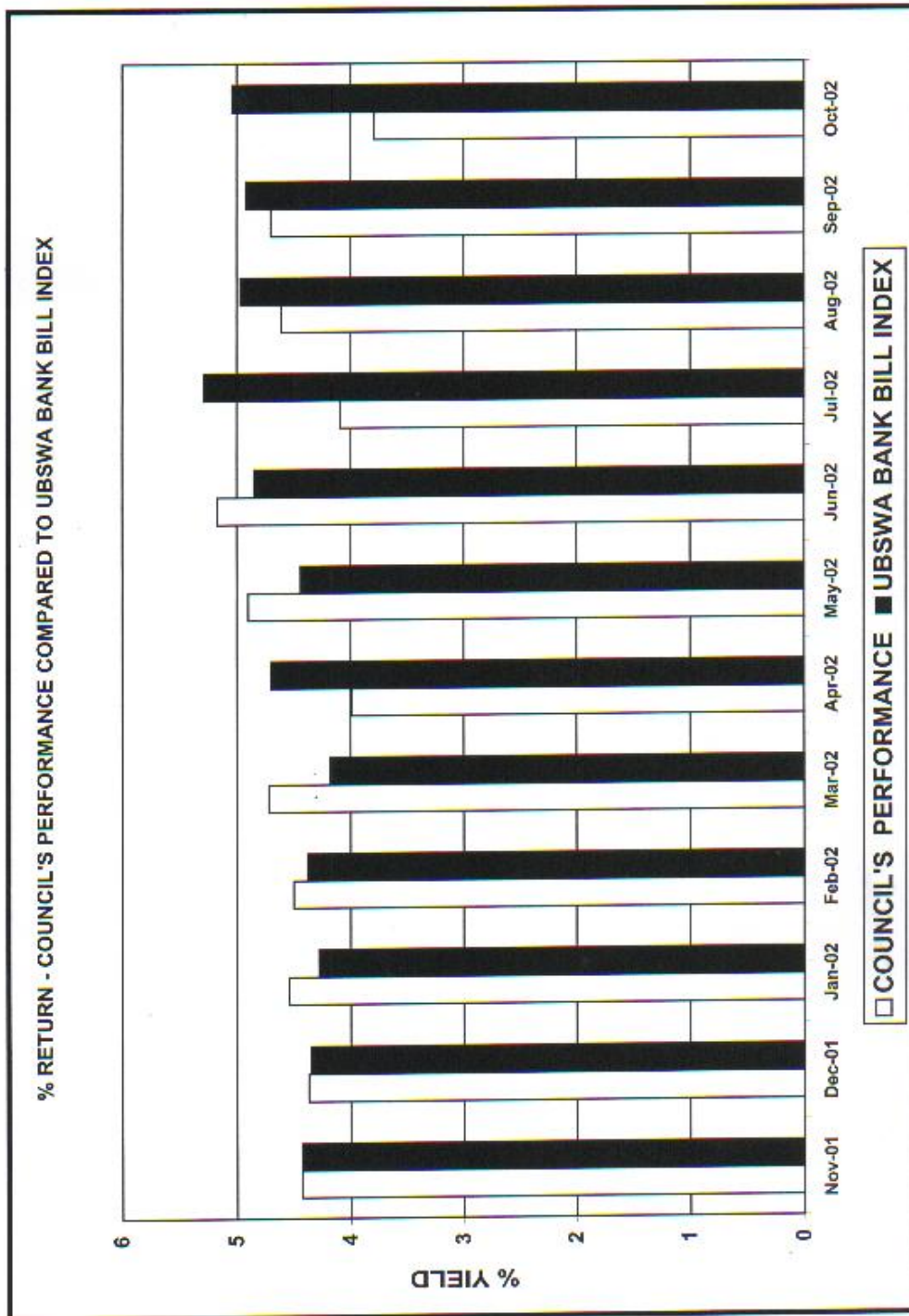
#\board\committee\pserv\03.12.02a.xls

PERCENTAGE RETURN BY FUND MANAGER
 NOVEMBER 01 - OCTOBER 02



181102

g:\business\administration\03_12_02a.xls





Director Governance Management & Information Services' Report 43/2002

SUBJECT:	DEBTORS - WRITING-OFF MONIES DUE TO COUNCIL
-----------------	---

DATE:	20 November, 2002	FILE NO:	98 / S / 0040
--------------	-------------------	-----------------	---------------

REPORT BY: DIRECTOR GOVERNANCE MANAGEMENT & INFORMATION SERVICES

INTRODUCTION:

This report seeks Council's approval to write-off debts amounting to \$3,642.45, which have been outstanding for some time.

ISSUES:

The first debt refers to the rates and charges from 1994/95 for 122 Todman Avenue Kensington, for the amount of \$2,869.98. This was erroneously moved from the normal rating system to the debtor's ledger and was not recognised as an outstanding rate account until early 1999. Endeavours were made to collect the rates from the developer of the now strata lots, however, no contact could be made. The debtor had sold all strata lots and the amount was not included in the Section 603 certificates, and as a consequence cannot be recovered from the new owners.

The remaining debt of \$772.50 refers to the cost involved in relation to dumped waste at 101 Oberon Street Randwick. Legal action was commenced, however, prior to the hearing date, it was recommended by Council's solicitor to withdraw the proceedings in view of the difficulty in proving liability, as no eyewitnesses could be located.

CONCLUSION:

Based on the circumstances for each of these debts, Council has no alternative than to write-off these amounts.

RECOMMENDATION:

That in accordance with the provision of Local Government (Financial Management) Regulation 1993, the sum of \$3,642.45 be written-off.

ATTACHMENT/S:

Nil

.....
MARK HUMMERSTON
DIRECTOR GOVERNANCE
MANAGEMENT & INFORMATION
SERVICES

.....
BRIAN GREGAN
MANAGER, FINANCE