



29 November, 2005

## 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, 6<sup>TH</sup> DECEMBER, 2005 AT 6:00 P.M.

Committee Members: His Worship the Mayor, Cr T. Seng, Bastic, Daley, Hughes (Chairperson), Kenny, Matson, Nash (Deputy Chairperson), & Sullivan

Quorum: Five (5) members.

**NOTE:** AT THE EXTRAORDINARY MEETING HELD ON 28<sup>TH</sup> SEPTEMBER, 2004, 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, 8<sup>TH</sup> NOVEMBER, 2005.

**3 Declaration of Pecuniary & Non-Pecuniary Interests**

**4 Addresses to Committee by the Public**

**5 Finance**

5.1 DIRECTOR, GOVERNANCE & FINANCIAL SERVICES' REPORT 51/2005 - COUNCILLOR DONATIONS FOR 2005/2006 FINANCIAL YEAR. 2

5.2 DIRECTOR, GOVERNANCE & FINANCIAL SERVICES' REPORT 52/2005 - INVESTMENT OF COUNCIL FUNDS AS AT 31 OCTOBER 2005. 5

**6 General Business**

**7 Notice of Rescission Motions**

.....  
GENERAL MANAGER



## *Director, Governance & Financial Services' Report 51/2005*

<b>SUBJECT:</b>	COUNCILLOR DONATIONS FOR 2005/2006 FINANCIAL YEAR
-----------------	---

<b>DATE:</b>	22 November, 2005	<b>FILE NO:</b>	F2004/07369 xr F2005/00182
--------------	-------------------	-----------------	-------------------------------

**REPORT BY:** DIRECTOR, GOVERNANCE & FINANCIAL SERVICES

### **INTRODUCTION:**

To inform Councillors of the progressive amount of Councillors' donations, allocations, waiving of fees and other similar issues for the current financial year.

### **ISSUES:**

In the 2005/2006 financial year there have been 33 Councillors' donations totalling \$79,706.20 as listed in the table below.

<b>MEETING</b>	<b>DETAILS</b>	<b>NET COST TO COUNCIL</b>
Ordinary Council – 28 June 2005	Disability Information Referral Centre - Access Aware Program	\$2,000.00
Ordinary Council – 26 July 2005	Industrial Relations Reform – Donation to ACTU	\$1,000.00
Ordinary Council – 26 July 2005	Industrial Relations Reform – Purchase of Banners	\$600.00
Ordinary Council – 26 July 2005	Peninsular LATM Kingsford/Kensington area – Purchase of Street Banners	\$1,440.00
Ordinary Council – 23 August 2005	Sonja St Leon Memorial Eating Disorders Research Fund	\$500.00
Ordinary Council – 23 August 2005	Fun Run/Oktoberfest & Market Day	\$2,735.00
Ordinary Council – 23 August 2005	Maroubra Seals Winter Swimming Clubs annual Championships	\$550.00

<b>MEETING</b>	<b>DETAILS</b>	<b>NET COST TO COUNCIL</b>
Ordinary Council – 23 August 2005	Access Ramps Convoy – Rally, Posters & Letterbox Drop	To be advised
Ordinary Council – 23 August 2005	Australia Day Botany Bay Regatta Reception in February 2006: Contribution:	\$5000.00 \$500.00
Ordinary Council – 27 September 2005	Carols by the Sea – St Paul’s Anglican Church – Waiving of fees	\$1,448.60
Ordinary Council – 27 September 2005	Coogee Family Fun Day – Waiving of fees	\$5506.80
Ordinary Council – 18 October, 2005	Surfing NSW - Seeking waiving of fees for use of Maroubra Beach.	\$396.30
Ordinary Council – 18 October, 2005	Use of Coral Sea Park by Maroubra United Soccer Club	\$686.40
Ordinary Council – 18 October, 2005	Des Renford Chair of Heart Research Swim Challenge and Charity Day - Use of Des Renford Aquatic Centre.	\$5,000.00
Ordinary Council – 18 October, 2005	Use of Kokoda Park, Kensington, for Carols by Candlelight- Request for waiving of fees.	\$2,525.50
Ordinary Council – 18 October, 2005	Gordons Bay Amateur Fishing Club - Request for financial assistance for repairs to the storm damaged boat racks.	\$2,674.60
Ordinary Council – 18 October, 2005	Waiving Of Fees - Musical performances and Shakespearean Theatre in Grant Reserve.	\$7,876.40
Ordinary Council – 18 October, 2005	Maroubra PCYC Swimming Program – DRAC.	\$600.00
Ordinary Council – 18 October, 2005	Australian Paralympic Team.	\$250.00
Ordinary Council – 18 October, 2005	Request For Funding - Refugee Scholarship.	\$500.00
Ordinary Council – 18 October, 2005	National recognition of Maroubra Beach as one of Australia's cultural significant Surfing Reserves - Contribution of funds.	\$3,000.00
Ordinary Council – 22 November 2005	Randwick & District Historical Society – Christmas Function	\$300.00
Ordinary Council – 22 November 2005	Use of community bus for carol singing	\$275.00

MEETING	DETAILS	NET COST TO COUNCIL
Ordinary Council – 22 November 2005	Peace and Goodwill Festival – Heffron Park	\$7,906.80
Ordinary Council – 22 November 2005	Epiphany Celebration	\$2,801.50
Ordinary Council – 22 November 2005	Coogee Surf Life Saving Club – Glass island Challenge	\$1,797.20
Ordinary Council – 22 November 2005	2 <sup>nd</sup> Paul Travini Cup Community Cricket Day	\$2,553.60
Ordinary Council – 22 November 2005	UNSW's Sustainable Schools Awards	\$4,800.00
Ordinary Council – 22 November 2005	Carols by Candlelight – Pioneer Park, Malabar	\$2,617.80
Ordinary Council – 22 November 2005	Coogee Surf Life Saving Club – Annual Open Carnival	\$2,079.00
Ordinary Council – 22 November 2005	Randwick City Tourism Video	\$2,580.00
Ordinary Council – 22 November 2005	Randwick Shield – Maroubra Beach	\$705.70
Ordinary Council – 22 November 2005	Waiving of the Greenwaste Disposal Fees for the Guriwal Aboriginal community at La Perouse	\$6,500.00
<b>TOTAL</b>		<b>\$79,706.20</b>

The amounts shown in the table above reflect the net cost to Council in providing the donation or grant. The GST, where applicable, has not been shown because it will be claimed back from the Australian Taxation Office.

#### **FINANCIAL IMPACT STATEMENT:**

Council has allocated \$120,000.00 in the 2005/2006 Budget for contingencies.

#### **RECOMMENDATION:**

That the report in relation to the progressive amount of Councillors' donations, allocations, waiving of fees and other similar issues for the 2005/06 financial year be noted.

#### **ATTACHMENT/S:**

Nil

.....  
 GEOFF BANTING  
 DIRECTOR, GOVERNANCE &  
 FINANCIAL SERVICES



## ***Director, Governance & Financial Services' Report 52/2005***

<b>SUBJECT:</b>	INVESTMENT OF COUNCIL FUNDS AS AT 31 OCTOBER 2005
-----------------	---

<b>DATE:</b>	18 November, 2005	<b>FILE NO:</b>	F2004/06527
--------------	-------------------	-----------------	-------------

**REPORT BY:** DIRECTOR, GOVERNANCE & FINANCIAL 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 23 September, 2005.

The Local Government (General) Regulation prescribe the records that must be maintained in relation to Council's investments. The Regulation also require that the responsible accounting officer provide a written report to each ordinary meeting of the Council giving details of all monies 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, 2005" and in the attached graphs.

### **FINANCIAL IMPACT STATEMENT:**

The budget provision for income from this source is \$2.925M. Income to 31 October, 2005 amounted to \$947,660.

### **CONCLUSION:**

All surplus cash has been invested as at 31 October, 2005 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 "Director, Governance & Financial Services" Report No. 52/2005 dated 18 November, 2005 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 2005.
2. Graphs ( 7).

.....  
GEOFF BANTING  
DIRECTOR, GOVERNANCE &  
FINANCIAL SERVICES

.....  
BRIAN GREGAN  
MANAGER, FINANCIAL  
SERVICES

**DETAILS OF CASH INVESTMENTS AND ANALYSIS OF INVESTMENT PERFORMANCE  
AS AT 31 OCTOBER 2005**

Investment Manager	Credit Ratings	Amount Invested	Interest Earned October			UBS Aust. Bank Bill Index %	Interest Earned Financial Year to Date		UBS Aust. Bank Bill Index %	Interest Earned Last 12 Months		UBS Aust. Bank Bill Index %
			Amount	% Return			Amount	% Return		Amount	% Return	
**		\$	\$	Month	Annualised For Period	#	\$			\$		#
LG Financial Services 11am Call	AA	758	16,631	0.45	5.40	0.48	67,617	5.40	5.76	161,965	5.40	5.71
LGFS Expanded Credit Facility	Af	8,252,281	41,800	0.51	6.16	0.48	160,421	6.14	5.76	549,221	6.13	5.71
Macquarie Income Plus	Af	4,129,652	21,009	0.51	6.19	0.48	85,643	6.29	5.76	341,094	6.23	5.71
Deutsche Income	Af	7,944,905	43,940	0.56	6.75	0.48	155,222	6.55	5.76	306,759	6.44	5.71
ING Enhanced Cash	Af	7,991,494	38,508	0.48	5.85	0.48	131,047	6.21	5.76	238,853	6.31	5.71
Merrill Lynch Enhanced Credit	Af	6,785,177	31,579	0.47	5.65	0.48	148,648	6.89	5.76	262,442	6.61	5.71
ANZ	AA-	2,000,000	11,593	0.56	6.82	0.48	46,203	6.85	5.76	88,706	6.96	5.71
Commonwealth Shield Series 12	AA	4,000,000	22,360	0.54	6.58	0.48	89,285	6.64	5.76	263,509	6.47	5.71
Commonwealth Shield Series 21	AA	1,000,000	-	(1.70)	(18.60)	0.48	-	N/A	5.76	31,218	N/A	5.71
Commonwealth Shield Series 24	AA	2,500,000	15,035	0.59	7.08	0.48	60,015	7.18	5.76	177,009	7.07	5.71
Interest Earned on Managed Funds No Longer Used										402,228		
General Fund Bank Account			1,061		Index %		3,559					
		<b>\$44,604,267</b>	<b>\$243,517</b>		5.77		<b>\$947,660</b>			<b>\$2,823,004</b>		

Credit Ratings	Standard & Poors
Extremely strong capacity to pay AAA	
Very strong capacity to pay	AA
Funds exhibit strong protection against credit default	Af

#UBS Aust. 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 2005	243,517 *
For 2005/2006 –	947,660 *
Original estimate budget for interest earned – 2005/2006	2,925,000

Monthly earning rates for the last three months	Aug %	Sept %	Oct %
LG Financial Services 11am Call	0.45	0.45	0.45
LGFS Expanded Credit Facility	0.50	0.48	0.51
Macquarie Income Plus	0.51	0.53	0.51
Deutsche Income	0.50	0.48	0.56
ING Enhanced Cash	0.51	0.49	0.48
Merrill Lynch Enhanced Credit	0.40	0.63	0.47
ANZ	0.57	0.57	0.56
Commonwealth Shield Series 12	0.55	0.54	0.54
Commonwealth Shield Series 21	0.34	1.25	(1.70)
Commonwealth Shield Series 24	0.59	0.59	0.59
<b>UBS Aust. Bank Bill Index</b>	<b>0.48</b>	<b>0.46</b>	<b>0.48</b>

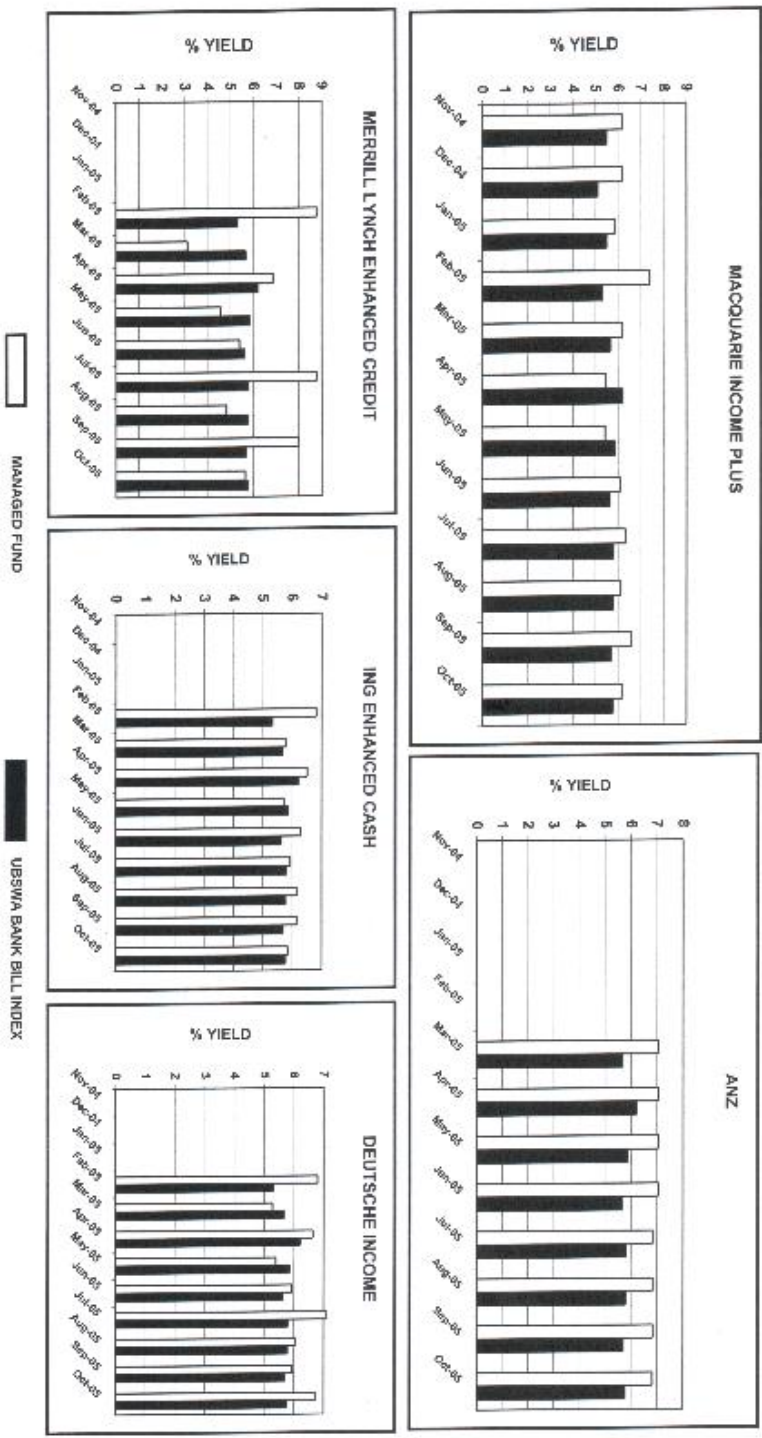
\* Includes bank account interest as well as interest on investments with Managed Funds.  
 \*\* The interest return on this investment has been estimated. Interest rates and amounts invested vary on a daily basis.

*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**

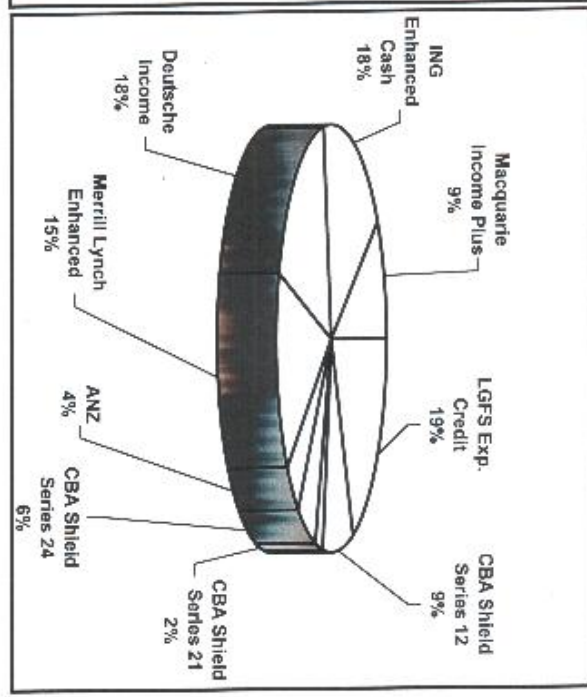
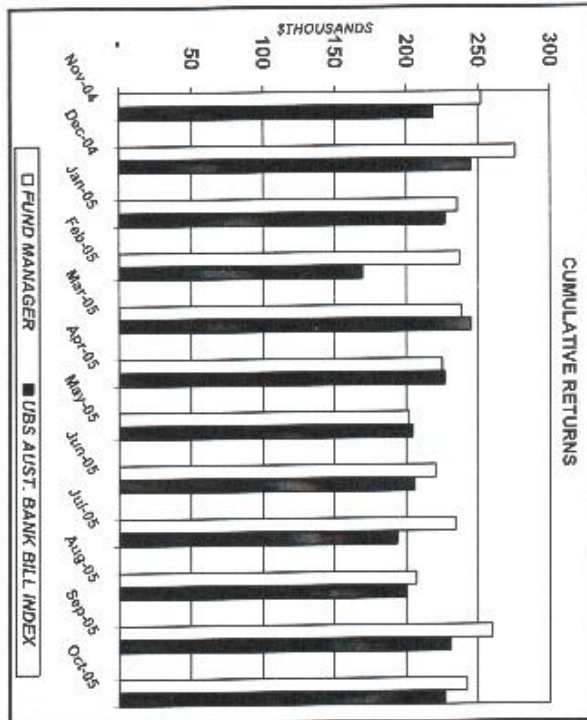


PERCENTAGE RETURN BY FUND MANAGER

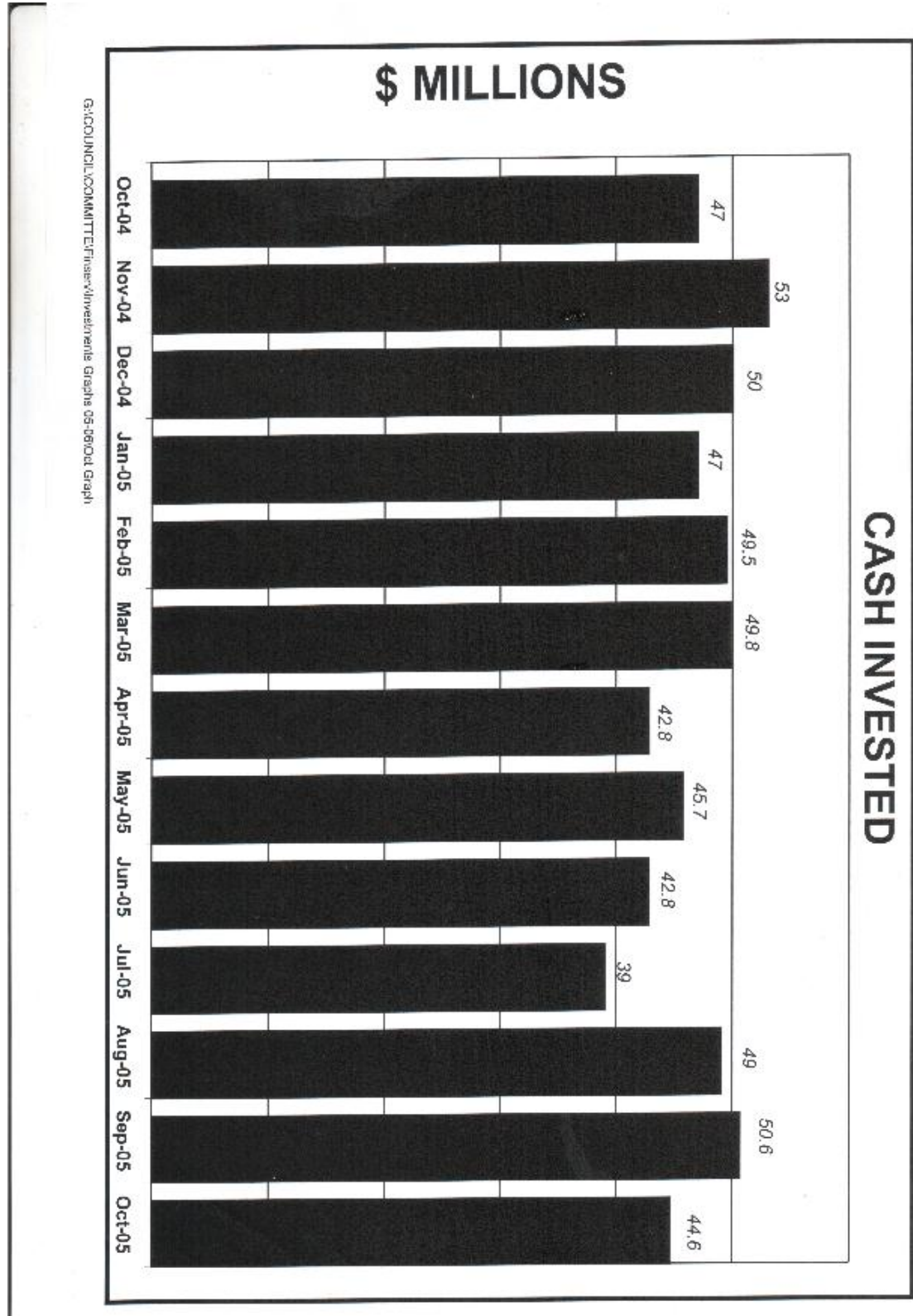


g:\financial\minutes\2005\minutes\12-6-05\agenda\item5.2.doc

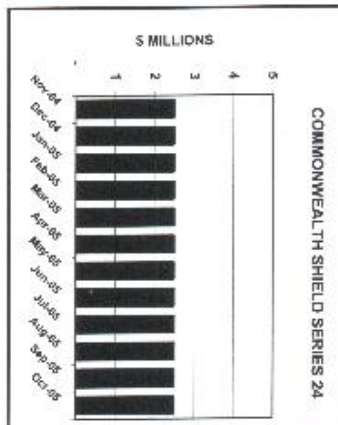
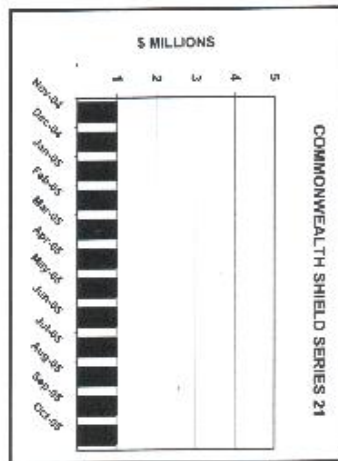
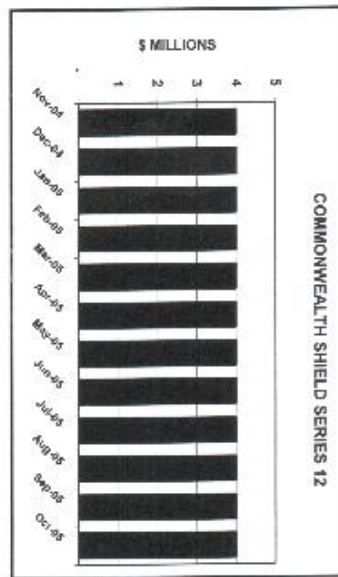
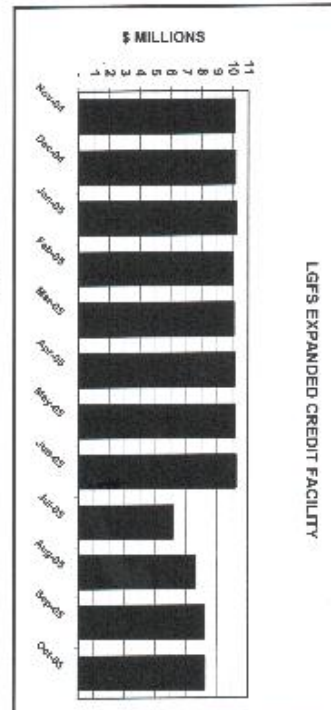
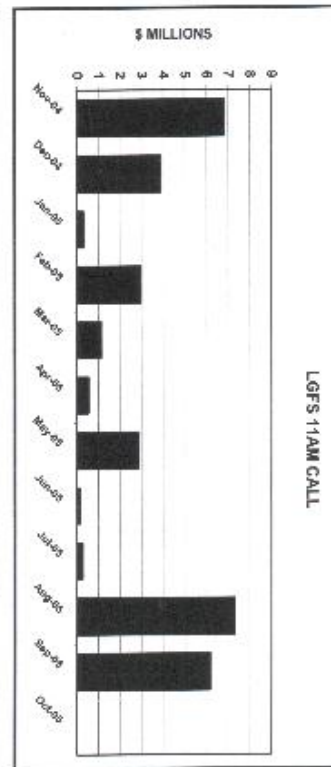
PERCENTAGE ALLOCATION BY FUND MANAGER  
 ALL FUND MANAGER PERFORMANCE VS. UBS AUST. BANK BILL INDEX  
 AS AT 31 OCTOBER 2005



p:\board\committee\finance\invest\invest vs u.s. bill 05-05\cd g.appl.xls

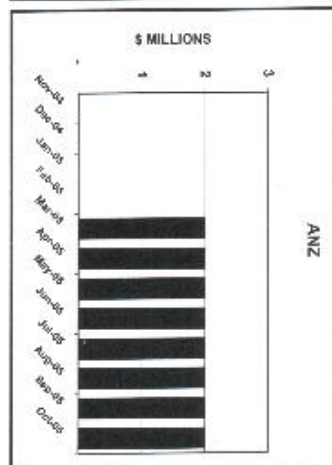
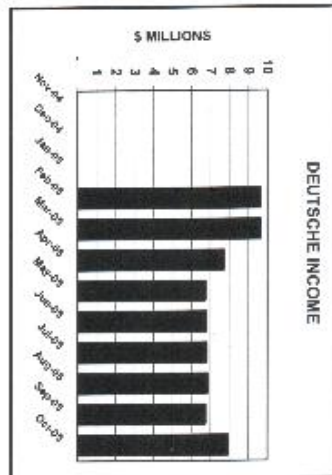
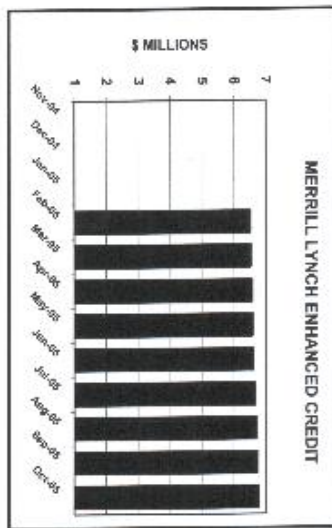
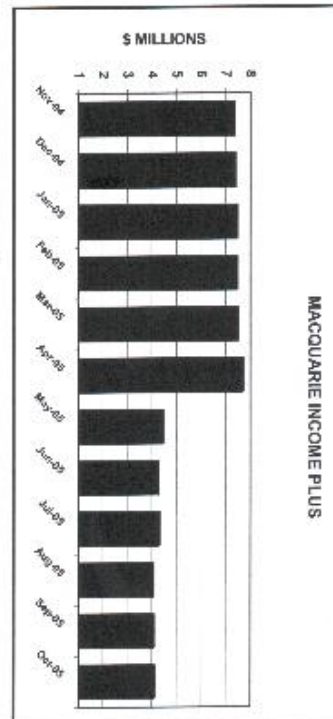
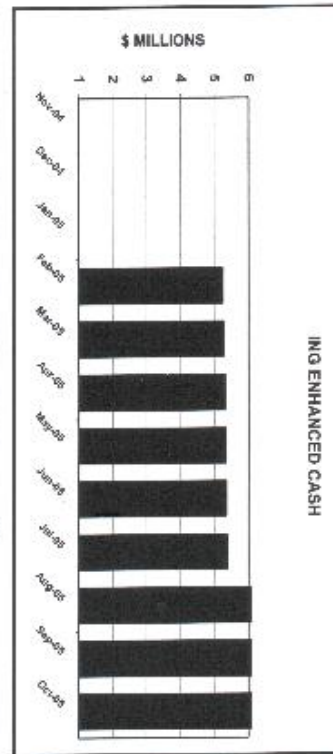


CASH INVESTMENTS BY FUND MANAGER

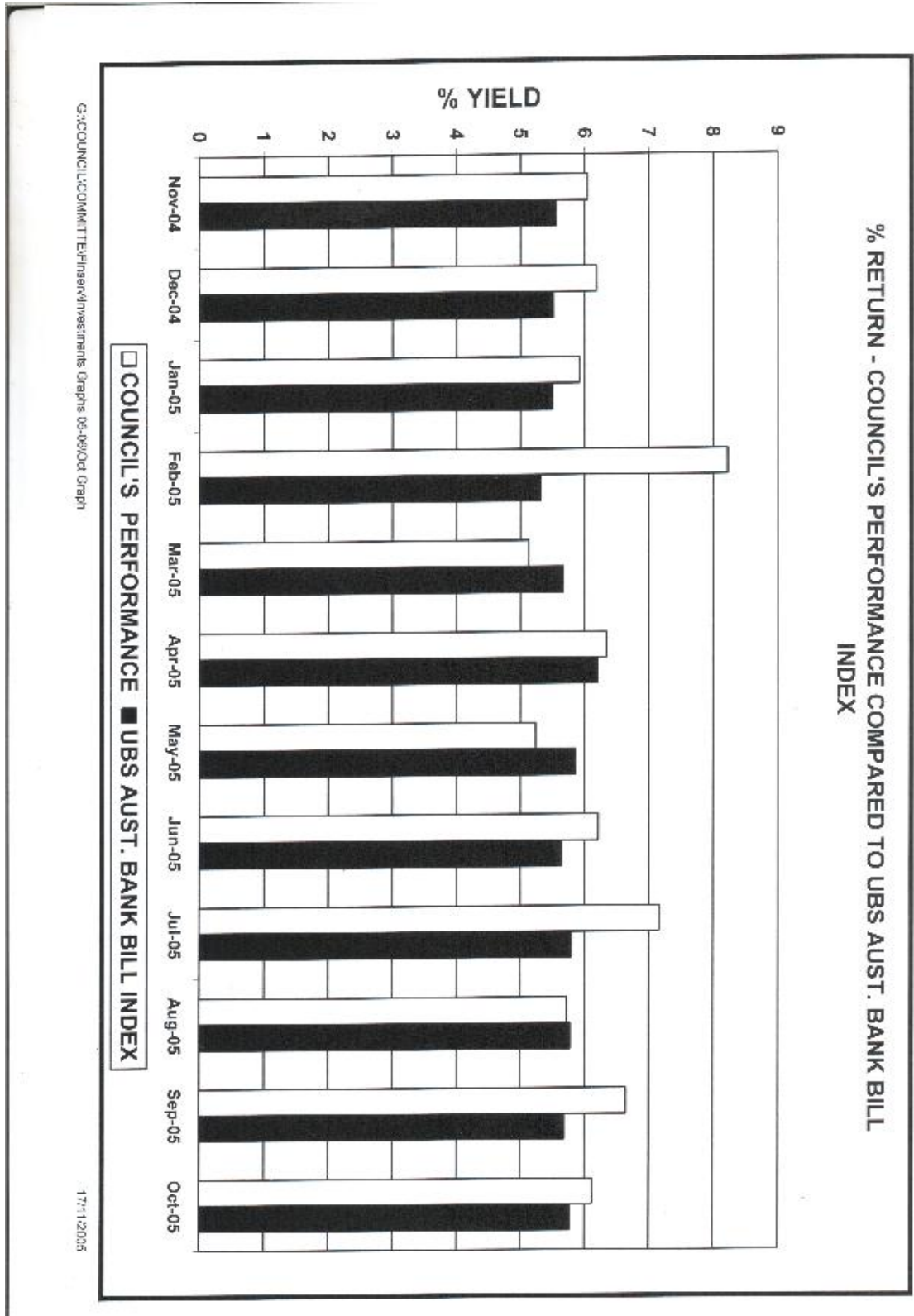


© 2005 Commonwealth Capital Management, Inc. All rights reserved.

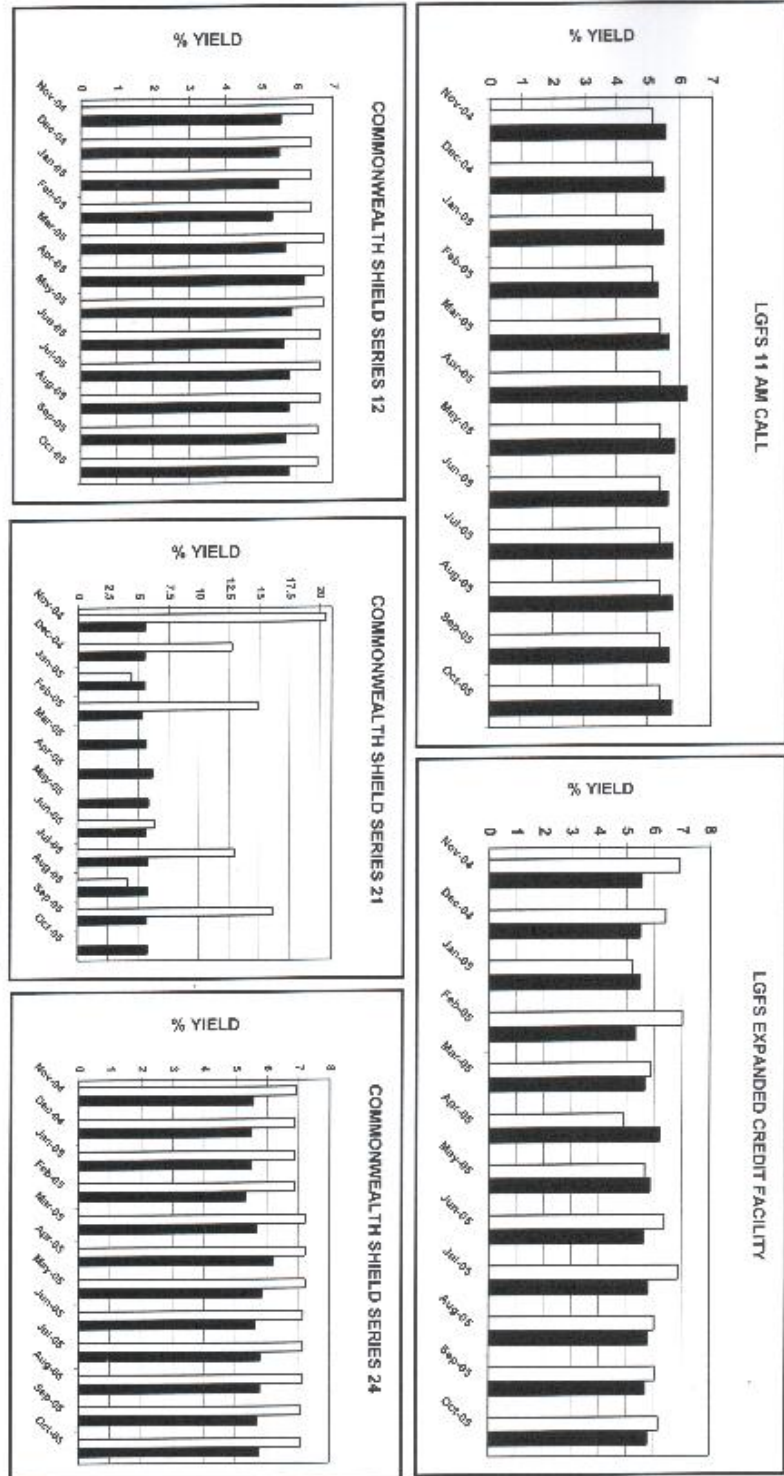
CASH INVESTMENTS BY FUND MANAGER



J:\2004-2005\Business\minutes\minutes\2005\12-06\12-06-05.ppt



PERCENTAGE RETURN BY FUND MANAGER



O:\Business Papers\Minutes\_Agendas\2005Minutes\_Agendas\Administration\_and\_Finance\12-6 Business Paper.doc