



4th July, 2006

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, 11TH JULY, 2006 AT 6:00 P.M.

Committee Members: His Worship the Mayor, Cr T. Seng, Andrews, Hughes (Chairperson), Matson, Nash (Deputy Chairperson), Sullivan, Tracey & Woodsmith.

Quorum: Five (5) members.

NOTE: AT THE EXTRAORDINARY MEETING HELD ON 28TH 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 MINUTES HELD ON TUESDAY, 13TH JUNE, 2006.

3 Declaration of Pecuniary & Non-Pecuniary Interests

4 Addresses to Committee by the Public

5 Finance

- | | | |
|-----|---|----|
| 5.1 | DIRECTOR, GOVERNANCE & FINANCIAL SERVICES' REPORT 43/2006 - INVESTMENT REPORT - MAY 2006. | 2 |
| 5.2 | DIRECTOR, GOVERNANCE & FINANCIAL SERVICES' REPORT 44/2006 - 2005/2006 COUNCIL CONTINGENCY FUND - STATUS AS AT 29 JUNE 2006. | 6 |
| 5.3 | DIRECTOR, GOVERNANCE & FINANCIAL SERVICES' REPORT 45/2006 - MONTHLY FINANCIAL REPORTS AS AT 31 MAY 2006. | 10 |

6 Notice of Rescission Motions

.....
GENERAL MANAGER

Director, Governance & Financial Services' Report 43/2006



SUBJECT:	INVESTMENT REPORT - MAY 2006
-----------------	------------------------------

DATE:	22 June, 2006	FILE NO:	F2004/06527
--------------	---------------	-----------------	-------------

REPORT BY: DIRECTOR, GOVERNANCE & FINANCIAL SERVICES

INTRODUCTION:

The Local Government (General) Regulation requires that the responsible accounting officer provide a written report to the 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.

ISSUES:

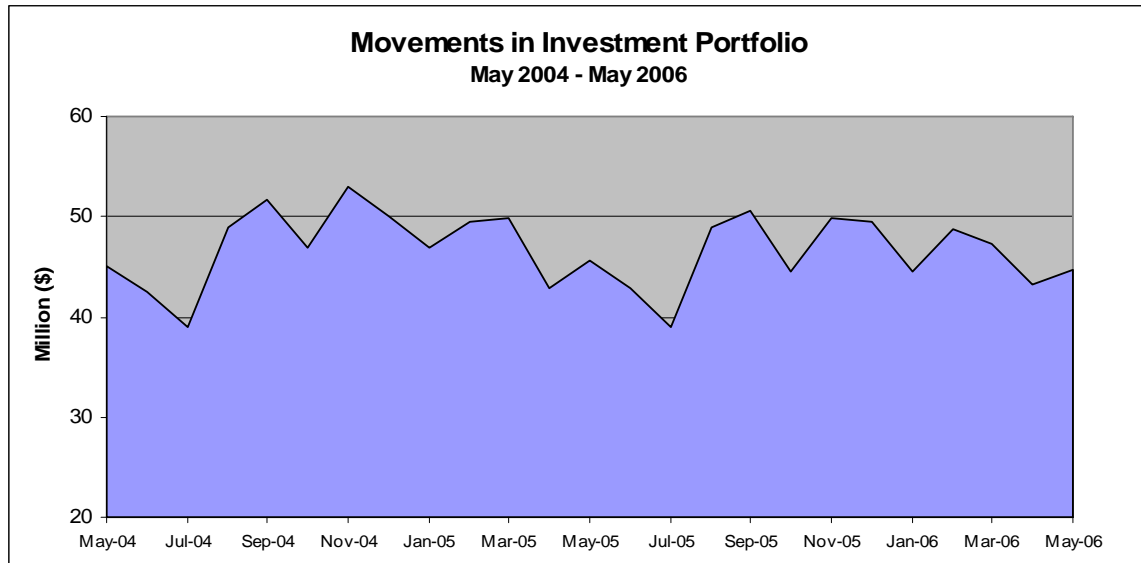
Council is authorised by s625 of the Local Government Act to invest its surplus funds. Funds may only be invested in the form of investment notified by Order of the Minister dated 23 September, 2005. The Local Government (General) Regulation prescribes the records that must be maintained in relation to Council's investments.

The attached table titled "Investment Performance Report – May 2006" outlines the investment portfolio held by Council as at the end of May 2006. All investments have been made in accordance with the Act, Regulations and Council's Investment Policy.

Investment Commentary

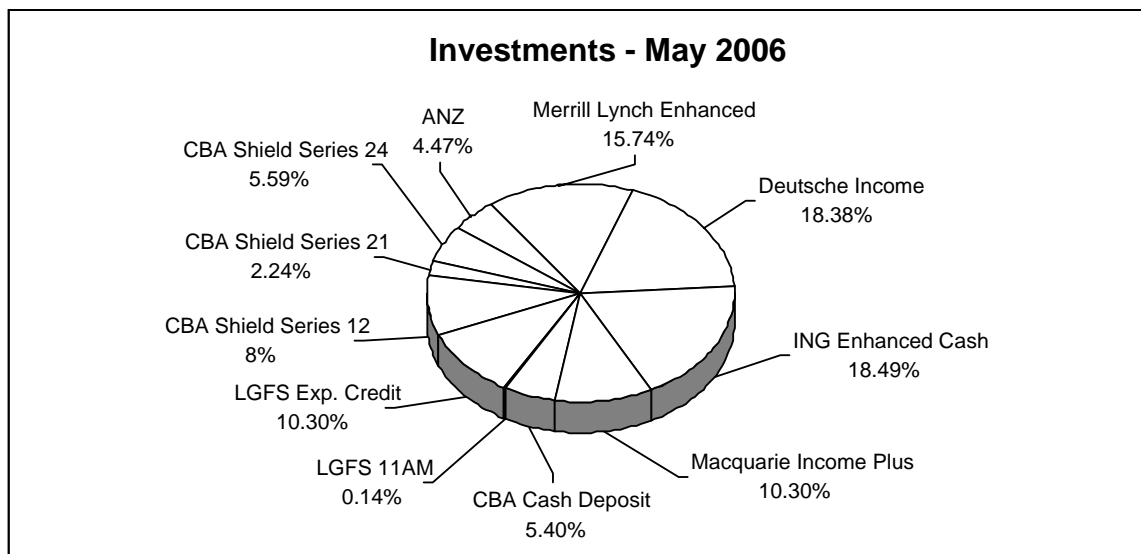
The size of the investment portfolio may vary significantly from month to month as a result of cash flows for the period. Cash outflows (expenditure) are typically relatively stable from one month to another. Cash inflows (income) are cyclical and are largely dependent on the rates instalment due dates and the timing of grant payments including receipt of the Financial Assistance Grant.

The investment portfolio increased by \$1.394 million during May 2006. The increase is representative of the positive cash flow for the month as revenue exceeded expenditure. Revenue in May included an instalment of the Financial Assistance Grant of \$694,000 and the final instalment of 2005/2006 rates and charges which was due on 31 May 2006.

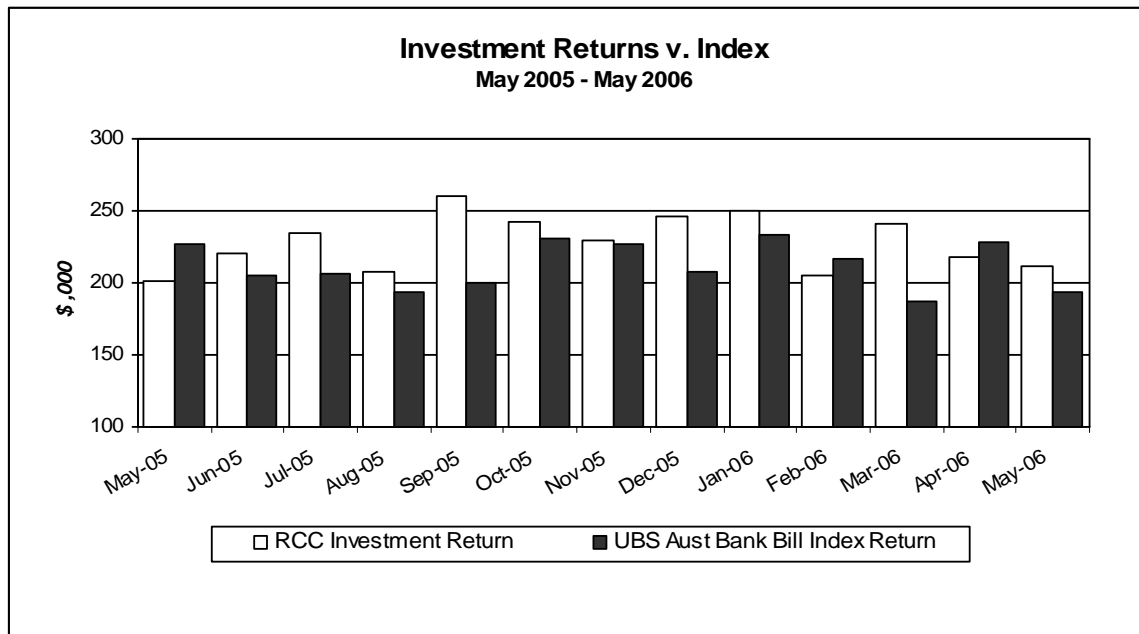


The above graph illustrates the movement in the investment portfolio since May 2004. The peaks are representative of the rates instalment periods.

The investment portfolio is diversified across a number of investment types and is spread across a number of financial institutions. The various investment types may include managed funds, term deposits, rolling rate investments, floating rate notes and on-call accounts. The following graph indicates the various investments held during May 2006.



The investment portfolio is regularly reviewed in order to maximise investment performance and minimise risk. Comparisons are made between existing investments with available products that are not part of Council's portfolio. Independent advice is sought on new investment opportunities.



Investment performance exceeded the industry benchmark UBS Australia Bank Bill Index in May 2006 with an average return after fees of 6.05%, compared with the benchmark index of 5.85%.

Official Reserve Bank of Australia (RBA) cash interest rate rose by 0.02% in May to 5.52%.

FINANCIAL IMPACT STATEMENT:

Funds are invested with the aim of achieving budgeted income in 2005/2006. The budget provision for income from this source is \$2.925 million. Income to 31 May, 2006 amounted to \$2.586 million.

CONCLUSION:

All investments as at 31 May, 2006 have been made in accordance with Policy No: 3.02.07 and the provisions of s625 of the Local Government Act and the Local Government (General) Regulation have been complied with.

RECOMMENDATION:

That the report be received and noted.

ATTACHMENT/S:

Investment Performance Report – May 2006

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

.....
GREG BYRNE
& MANAGER FINANCIAL
OPERATIONS

Investment Performance Report - May 2006

Investment	Credit Rating	Amount Invested	Interest Earned		Investment Performance		
			Period	FYTD	Period	FYTD	Past 12 Months
			\$	\$	%	%	%
CBA Cash Deposit (CDA)	AA	2,416,327	5,923	12,250	5.70	5.47	5.47
Local Govt Financial Serv (LGFS) 11am call	AA	62,450	298	142,977	5.40	5.40	5.40
LGFS Expanded Credit Facility	Af	4,607,114	21,687	365,254	5.71	6.24	6.14
Macquarie Income Plus Enhanced Income Fund	Af	4,605,611	21,772	261,601	5.66	6.13	6.14
Deutsche Income Enhanced Income Fund	Af	8,218,791	36,565	429,107	5.39	6.37	6.38
ING Enhanced Cash Fund	Af	8,266,738	40,419	406,292	5.94	6.19	6.21
Merrill Lynch Diversified Credit Fund	Af	7,035,814	35,859	399,284	6.20	6.69	6.70
ANZ Bank - Three Pillars	AA-	2,000,000	11,602	125,166	6.83	6.84	6.86
					3 month BBSW + 1.20%		
Commonwealth Bank Shield Series 12	AA	4,000,000	22,428	242,667	6.60	6.62	6.61
					3 month BBSW + 1.00%		
Commonwealth Bank Shield Series 21	AA	1,000,000	Purchased in April 2004. Capital is guaranteed and interest is paid at maturity. Investment value as at 31 May 2006 is \$1,141,098 which equates to return since inception of 6.51%				
Commonwealth Bank Shield Series 24	A- Negative watch	2,500,000	15,075	163,131	7.10	7.11	7.12
					3 month BBSW + 1.50%		
Interest earned from matured investments	-	-	0	29,416	-	-	-
General Fund Bank Account	-	-	758	9,279	-	-	-
Total		44,712,845	212,387	2,586,425	6.05	6.31	6.29
Official (Reserve Bank of Australia) Cash Rate					5.75	5.52	5.52
UBS Australian Bank Bill Index					5.85	5.74	5.75

Director, Governance & Financial Services' Report 44/2006



SUBJECT:	2005/2006 COUNCIL CONTINGENCY FUND - STATUS AS AT 29 JUNE 2006
-----------------	--

DATE:	28 June, 2006	FILE NO:	F2004/07369 F2005/00182	xr
--------------	---------------	-----------------	----------------------------	----

REPORT BY: DIRECTOR, GOVERNANCE & FINANCIAL SERVICES

INTRODUCTION:

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

ISSUES:

In the 2005/2006 financial year there have been 59 allocations totalling \$164,613.91 as listed in the table below.

MEETING	DETAILS	NET COST TO COUNCIL
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
Ordinary Council – 23 August 2005	Access Ramps Convoy – Rally, Posters & Letterbox Drop	\$2,203.31

MEETING	DETAILS	NET COST TO COUNCIL
Ordinary Council – 23 August 2005	Aust Day Botany Bay Regatta Reception in February 2006: Contribution:	\$5,000.00 \$500.00
Ordinary Council – 27 Sept 2005	Carols by the Sea – St Paul’s Anglican Church – Waiving of fees	\$1,448.60
Ordinary Council – 27 Sept 2005	Coogee Family Fun Day – Waiving of fees	\$5,506.80
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 & 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- Waiving of fees	\$2,525.50
Ordinary Council – 18 October, 2005	Gordon’s Bay Amateur Fishing Club - 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	Refugee Scholarship	\$500.00
Ordinary Council – 18 October, 2005	National recognition of Maroubra Beach as one of Australia's cultural significant Surfing Reserves	\$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
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	2nd 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

MEETING	DETAILS	NET COST TO COUNCIL
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
Ordinary Council – 22 November 2005	2006 Sydney Body Art Ride (SBAR)	\$3,000.00
Ordinary Council – 13 December 2006	Local Area Command – contribution towards the cost of providing specialised protective riding equipment	\$8,080.00
Ordinary Council – 13 December 2006	Waving of Fees – Use of Maroubra Beach for the promotion of Junior Development in Surfing	\$ 3,085.70
Ordinary Council – 13 December 2005	Waiving of Fees – South Maroubra Village Green Carols by Candlelight	\$2,523.00
Ordinary Council – 13 December 2005	University of NSW Army Regiment Freedom of Entry Parade	\$4,000.00 Postponed
Ordinary Council – 13 December 2005	Chinese New Year 2006	\$10,000.00
Ordinary Council – 28 February 2006	2006 Coogee Beach Clean up Australia Day Festival - Gracepoint Christian Church.	\$1,381.82
Ordinary Council – 28 February 2006	Waiving of Fees – Surfing NSW, Maroubra Surfers Association & Southend Board Riders Inc.	\$6,930.36
Ordinary Council – 28 February 2006	Youth & Seniors Week 2006 - request for donation of 250 native seedlings.	\$340.91
Ordinary Council – 28 February 2006	Waiving of fees - filming of non-commercial short drama at Yarra Bay Beach for Tropfest	\$1,245.45
Ordinary Council – 28 February 2006	Clovelly Public School – installation and dismantling of banner on Council flagpoles.	\$691.00
Ordinary Council – 28 February 2006	Maroubra Beach Surfing Reserve & Surfing Walk of Fame.	\$8,000.00
Ordinary Council – 28 February 2006	Matthew Talbot Hostel –Fundraising night “Magic Moments at the SCG.”	\$3,500.00
Ordinary Council – 28 February 2006	Indonesian Community Council Harmony Day Event.	\$563.64
Ordinary Council – 28 February 2006	Randwick Community Centre - Book publication costs	\$970.00
Ordinary Council – 28 February 2006	Annual Pere Recevueur Mass – Waiving of Fees	\$2,642.88
Ordinary Council – 28 March 2006	Cyclone Larry - Innisfail	\$5,000.00

MEETING	DETAILS	NET COST TO COUNCIL
Ordinary Council – 28 March 2006	Malabar Clear Water Classic	\$806.00
Ordinary Council – 18 April 2006	Benevolent Society – Community Festival 27 May 2006 (50% of fees)	\$3,643.18
Ordinary Council – 18 April 2006	Indonesian Welfare Association – Street Fair	\$3,120.91
Ordinary Council – 18 April 2006	Qantas Wallabies Fan Day – 29 May 2006	\$2,004.55
Ordinary Council – 18 April 2006	Maroubra Development Carnival – Des Renford Aquatic Centre	\$600.00
Ordinary Council – 18 April 2006	Malabar Headland – the People’s Park Community Forum	\$400.00
Ordinary Council – 30 May 2006	“Trees for Mum” planting day at Nagle Park	\$5,000.00
Ordinary Council – 30 May 2006	Yarra Bay House, La Perouse - Assistance with removal of a number of mature Cassuarina Glauca trees	\$8,000.00
Ordinary Council – 30 May 2006	Waiving of fees – installation of a banner St. Catherine’s School	\$691.00
Ordinary Council – 30 May 2006	Waiving of fees - use of South Maroubra Beach for Inflatable Rescue Boat Surf Life Saving Carnival	\$484.00
TOTAL		\$164,613.91

The amounts shown in the table above reflect the net cost to Council in providing the donation, grant or assistance. 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 \$140,000.00 in the 2005/2006 budget for contingencies. This amount includes the original budget \$120,000.00 and an additional \$20,000.00 which was allocated with the March quarterly budget review.

RECOMMENDATION:

That the report be received and noted.

ATTACHMENT/S:

Nil

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

.....
JULIE HARTSHORN
& SENIOR ADMINISTRATIVE CO-
ORDINATOR

**Director, Governance & Financial
Services' Report 45/2006**

SUBJECT:	MONTHLY FINANCIAL REPORTS AS AT 31 MAY 2006
-----------------	---

DATE:	4 July, 2006	FILE NO:	F2004/06527
--------------	--------------	-----------------	-------------

REPORT BY: DIRECTOR, GOVERNANCE & FINANCIAL SERVICES

INTRODUCTION:

Section 202 of the Local Government (General) Regulation 2005 requires that the responsible accounting officer of a council must:

- (a) establish and maintain a system of budgetary control that will enable the council's actual income and expenditure to be monitored each month and to be compared with the estimate of the council's income and expenditure, and
- (b) if any instance arises where the actual income or expenditure of the council is materially different from its estimated income or expenditure, report the instance to the next meeting of the council.

ISSUES:

This report provides the financial results of Council as at 31 May 2006. Attachment 1 summarises Council's Financial Performance, and its Source and Application of Funds. It also summarises the operating result for each of Council's principal activities. Attachment 2 details the financial position of Council as at 31 May 2006.

FINANCIAL IMPACT STATEMENT:

There is no direct financial impact for this matter.

CONCLUSION:

Council's Director Governance & Financial Services as the responsible accounting officer, advises that the projected financial position is satisfactory.

RECOMMENDATION:

The report be received and noted.

ATTACHMENT/S:

1. FINANCIAL PERFORMANCE & SOURCE AND APPLICATION OF FUNDS
2. FINANCIAL POSITION - All under separate cover

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

