

### 3. Certificate of Investments made under Section 625 of the Local Government Act 1993

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This report provides details of Council's investments during December 2008.

Finance Manager

#### BACKGROUND

Council must be presented with a monthly report certifying that Council's investments have been made in accordance with legal and policy requirements.

The relevant certification is attached and forms part of this report to Council.

#### LEGAL

10 Section 625 of the Local Government Act 1993 determines that money may only be invested in a form of investment notified by order of the Minister for Local Government published in the Gazette.

Clause 212 of the Local Government (General) Regulation 2005 determines that the responsible accounting officer must provide Council with a written report setting out details of all money that Council has invested under section 625 of the Local Government Act 1993.

The report must also include a certificate as to whether or not the investments have been made in accordance with the Local Government Act 1993, the regulations and the Council's investment policies.

#### 20 FINANCIAL

Estimated interest on investments income for General, Water and Sewer Funds is \$1,018,600 for 2008/09. Of this amount \$548,600 will be held as restricted funds (comprising Water Fund, Sewer Fund and Developer Contributions).

Advice has now been received that all investments greater than \$1 million have been assured by the financial institutions.

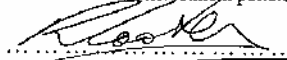
#### RECOMMENDATION

That the Certificate of Investment made under Section 625 of the Local Government Act, 1993 as at 31 December 2008 be received and noted.

10 February 2009

**Certificate of Investments  
made under Section 625  
of the Local Government Act 1993**

The following table sets out details of all money that Council has invested as at 31 December 2008 under Section 625 of the Act. In accordance with the provision of Clause 212 of the Local Government (General) Regulation 2005, I hereby certify that these investments have been made in accordance with the Act, the Regulations and Council's investment policies.

  
R. C. Coates  
Responsible Accounting Officer

	Interest Rate %	Placement Date	Term Days	Amount \$	Expected Net Return
IMB	7.62%	05-Sep-08	124	510,334.25	13,211.09
BANKWEST	7.53%	10-Sep-08	120	615,926.89	15,247.99
BANKWEST	7.65%	17-Sep-08	120	1,167,573.47	29,365.27
IMB	7.77%	26-Sep-08	119	1,096,931.55	27,787.83
NEWCASTLE PERM.	7.56%	01-Oct-08	99	1,026,800.55	21,054.76
BANKWEST	7.50%	02-Oct-08	120	1,098,362.79	27,082.92
IMB	6.83%	08-Oct-08	93	1,099,683.05	19,137.20
IMB	6.59%	09-Oct-08	120	542,858.60	11,761.44
IMB	6.67%	15-Oct-08	91	793,956.27	13,202.95
BANKWEST	7.20%	16-Oct-08	92	1,027,608.77	18,648.99
IMB	6.16%	17-Oct-08	96	1,121,042.20	18,162.73
BANKWEST	7.20%	22-Oct-08	92	562,639.45	10,210.75
BANKWEST	7.20%	29-Oct-08	91	1,055,541.26	18,947.69
NEWCASTLE PERM.	7.03%	30-Oct-08	91	1,055,882.02	18,506.29
NEWCASTLE PERM.	7.00%	31-Oct-08	96	616,761.70	11,355.17
BANKWEST	6.40%	05-Nov-08	91	833,715.60	13,302.90
NEWCASTLE PERM.	6.12%	06-Nov-08	91	1,041,995.84	15,898.86
IMB	6.45%	07-Nov-08	96	1,033,270.32	17,528.79
IMB	6.45%	07-Nov-08	97	500,000.00	8,570.55
ELDERS RURAL	7.25%	13-Nov-08	92	1,000,000.00	18,273.97
HORIZON	6.00%	14-Nov-08	96	1,200,182.10	18,939.86
BANKWEST	5.90%	19-Nov-08	92	1,019,660.27	15,163.61
MACQUARIE BANK	6.25%	26-Nov-08	91	1,000,000.00	15,582.19
MACQUARIE BANK	6.25%	26-Nov-08	92	1,000,000.00	15,753.42
MACQUARIE BANK	6.00%	26-Nov-08	119	1,000,000.00	19,561.64
MACQUARIE BANK	6.25%	27-Nov-08	97	1,000,000.00	16,609.59
MACQUARIE BANK	6.00%	27-Nov-08	119	1,000,000.00	19,561.64

MACQUARIE BANK	6.25%	28-Nov-08	91	700,000.00	10,907.53
MACQUARIE BANK	6.00%	03-Dec-08	92	1,000,000.00	15,123.29
MACQUARIE BANK	6.00%	04-Dec-08	97	1,000,000.00	15,945.21
MACQUARIE BANK	6.00%	04-Dec-08	98	1,000,000.00	16,109.59
MACQUARIE BANK	6.00%	05-Dec-08	91	1,000,000.00	14,958.90
MACQUARIE BANK	6.00%	12-Dec-08	91	800,000.00	11,967.12
BANKWEST	5.40%	17-Dec-08	91	1,000,000.00	13,463.01
MACQUARIE BANK	5.25%	23-Dec-08	87	1,000,000.00	12,513.70
BANKWEST	4.90%	23-Dec-08	94	1,000,000.00	12,619.18
BANKWEST	4.80%	23-Dec-08	120	800,000.00	12,624.66
Westpac	3.85%	Daily	Daily	832,478.66	32,050.43
<b>Total Investments</b>				<b>35,153,205.61</b>	<b>636,712.71</b>
<b>Source Of Investments</b>					
General Fund Externally Restricted Funds					3,461,960.27
General Fund Internally Restricted Funds					6,633,928.45
Water Fund Externally Restricted Funds					9,572,304.38
Water Fund Internally Restricted Funds					4,397,185.54
Sewer Fund Externally Restricted Funds					1,137,551.68
Sewer Fund Internally Restricted Funds					5,543,128.06
Unrestricted Funds					4,407,147.23
<b>Total Investments</b>				<b>35,153,205.61</b>	<b>636,712.71</b>

The graph below provides a comparison between the interest rates Council has invested funds for and the "bank bill swap rate". The bank bill swap rate is an average of the rates offered by the ten major banks. This rate is the accepted industry benchmark.

By comparing the two interest rates Council can monitor the performance of Council's investment portfolio.

