



Vincent Street
CESSNOCK 2325

11 August 2008

To All Councillors

You are hereby notified that the next Meeting of the Corporate & Community Committee will be held in the Council Chambers, on Wednesday, 20 August 2008 immediately following the conclusion of the Infrastructure & Services Committee Meeting, for the purpose of transacting the undermentioned business.

**B R MORTOMORE
GENERAL MANAGER**

AGENDA:

PAGE NO.

(1) APOLOGIES.

(2) CONFIRMATION OF MINUTES.

Minutes of the Corporate & Community Committee Meeting
held on 6 August 2008

(3) OFFICERS' REPORTS

DIRECTOR CORPORATE & COMMUNITY

65/2008	Investments	2
66/2008	Update on Proposed Code of Conduct Panel	5

(4) QUESTIONS WITHOUT NOTICE.

OFFICER'S REPORTS

DIRECTOR CORPORATE & COMMUNITY REPORT NO. 65/2008

SUBJECT: INVESTMENTS

Financial & Administrative Services Manager, Robert Maginnity, reports:-

SUMMARY

Clause 212 of the Local Government (General) Regulation 2005 requires a monthly report to Council detailing all money that Council has invested under Section 625 of the Local Government Act 1993.

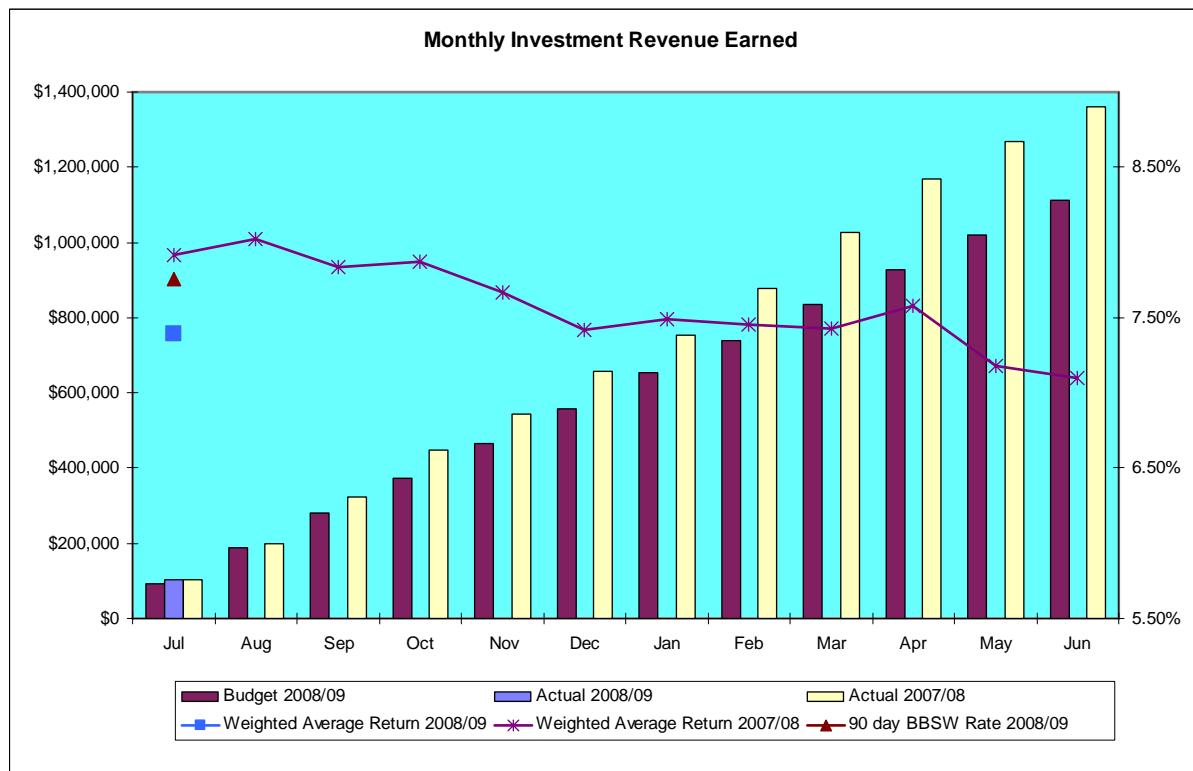
BACKGROUND

Details of investments held by Council as at 31 July 2008 are set out below.

Inv. No.	Form Held With	Instrument	Term	Coupon Date	Maturity Date	Interest Rate %	Amount \$'000
	Commonwealth Bank of Australia	Cash					1,662
1001p	Greater Building Society	FRN	92	27-Aug-08	27-Nov-08	9.49%	500
1010p	Wide Bay Capricorn Bldg Society	FRN	91	15-Sep-08	15-Dec-08	9.44%	500
1020p	Credit Suisse First Boston Int.	CDO	91	05-Aug-08	05-May-11	9.79%	1,000
1029p	Credit Suisse First Boston Int.	CDO	91	05-Aug-08	05-May-11	9.79%	1,500
1069n	RIMsec	CDO	93	08-Oct-08	08-Oct-11	9.76%	2,000
1102j	Commonwealth Bank of Australia	AN	92	16-Sep-08	16-Dec-10	7.50%	500
1126f	Commonwealth Bank of Australia	AN	92	06-Aug-08	06-Nov-11	9.25%	500
1132g	JP Morgan Chase Bank	CDO	94	22-Sep-08	20-Dec-09	8.82%	500
1133a	Commonwealth Bank of Australia	ELD	364	22-Dec-08	20-Dec-09	3.00%	1,000
1138a	Commonwealth Bank of Australia	ELD	365	05-Mar-09	05-Oct-10	3.00%	500
1142e	Lehman Brothers	CDO	94	22-Sep-08	20-Mar-11	9.12%	1,000
1143b	ANZ Banking Group	ELD	365	30-Jun-09	30-Mar-13	0.00%	500
1146d	Merill Lynch International	CDO	94	22-Sep-08	20-Jun-10	8.82%	1,000
1147a	Commonwealth Bank of Australia	ELD	365	05-Jun-09	07-Oct-10	3.00%	500
1161b	Illawarra Mutual Building Society	TD	91	07-Aug-08	07-Aug-08	8.01%	500
1171a	Newcastle Permanent Building Society	TD	70	21-Aug-08	21-Aug-08	8.15%	500
1176	Newcastle Permanent Building Society	TD	90	14-Aug-08	14-Aug-08	8.12%	500
1177a	Maitland Mutual Building Society	TD	105	16-Oct-08	16-Oct-08	8.34%	500
1178a	Maitland Mutual Building Society	TD	91	09-Oct-08	09-Oct-08	8.33%	500
							15,662

As Responsible Accounting Officer, I, Robert Maginnity, hereby certify that this report is produced in accordance with Clause 212 of the Local Government (General) Regulation 2005 and that all investments have been made in accordance with the Local Government Act 1993, the Local Government (General) Regulation 2005 and Council's investment policies.

Statistical Information



Performance Measure	This Year	Last Year
Portfolio Weighted average return (Year to date)	7.39%	7.92%
Average 90 day BBSW (Year to Date)	7.76%	6.47%
Interest on Investment (Year to Date) *	\$102,782	\$103,291

*This amount includes investment returns on Section 94 & Waste Services Funds

Financial Institution	Amount \$'000	% Portfolio
Commonwealth Bank of Australia	4,662	29.80%
Credit Suisse First Boston Int.	2,500	15.96%
RIMsec	2,000	12.77%
Newcastle Permanent Building Society	1,000	6.38%
Maitland Mutual Building Society	1,000	6.38%
Lehman Brothers	1,000	6.38%
Merill Lynch International	1,000	6.38%
Illawarra Mutual Building Society	500	3.19%
ANZ Banking Group	500	3.19%
Greater Building Society	500	3.19%
JP Morgan Chase Bank	500	3.19%
Wide Bay Capricorn Bldg Society	500	3.19%
Total	15,662	100.00%

Investment Type	Amount \$'000	% Portfolio
Cash	1662	10.63%
Collateralised Debt Obligation (CDO)	7,000	44.69%
Floating Rate Note (FRN)	1,000	6.38%
Term Deposit (TD)	2,500	15.96%
Equity Linked Deposit (ELD)	2,500	15.96%
Accrual Note (AN)	1,000	6.38%
Total	15,662	100.00%

STATUTORY IMPLICATIONS

Legislative Implications

Report meets Councils statutory obligations under Clause 212 of the Local Government (General) Regulation 2005 and Section 625 of the Local Government Act 1993.

Financial Implications

The financial impact of Councils current investment returns have already been factored into the current adopted budget. Interest earned on investments to 31 July 2008 was \$102,782m (\$103,291 in 2007) which is higher than the projected year to date budget of \$94,084. A portion of this revenue is required to be restricted as it relates to funds held from section 94 developer contributions and is not available to fund operational projects.

Policy Implications

This report has no direct policy implications with all investments made in accordance with Council's adopted Investment Policy.

RECOMMENDATION that the report be received and noted.

To: **The General Manager**
Corporate & Community
Committee – 20 August 2008

C T BENNETT
DIRECTOR CORPORATE & COMMUNITY
SERVICES
11 August 2008

DIRECTOR CORPORATE & COMMUNITY REPORT NO. 66/2008

SUBJECT: UPDATE ON PROPOSED CODE OF CONDUCT PANEL

SUMMARY

The following recommendations were adopted by Council at the Council Meeting held on Wednesday 16 July 2008 :

1. That Council adopt the enclosed Revised Model Code of Conduct as its Code of Conduct, effective from Friday June 20 2008.
2. That Council consider using the panel of reviewers likely to be setup by Hunter Councils.
3. That Council delegate to the General Manager the power to select the proposal being put forward by Hunter Councils should it eventuate.
4. That Council call for expressions of interest for the Conduct Review Committee should the proposal from Hunter Councils not eventuate.
5. That a further report be prepared and brought before Council prior to the end of August 2008 nominating the independent members of the Conduct Review Committee.

BACKGROUND

Recommendation number 5 from the July 16 meeting called for a report to be brought back to Council prior to the end of August 2008 nominating the independent members of the Conduct Review Committee.

Hunter Councils has not setup the panel of independent members as yet.

The Hunter Council's Board Meeting of 28 August 2008 will consider and recommend the makeup of the independent panel members in the Hunter Region.

Cessnock City Council will then be able to select members from this panel to use on its Code of Conduct Panel or select other appropriate independent members. The panel must consist of at least (3) independent members.

It would be advisable for Council to consider selecting at least (5) independent members as it may not want to use some of the independent members on some issues, or at all. Limiting the panel to (3) independent members may cause issues as some of the independent members may not be available on the requested dates.

The General Manager or Mayor will decide the appropriate independent member/s from the panel selected by Council, to refer the particular matter to.

CONSULTATION

The following Council Officers have been consulted during the preparation of this Council report :

General Manager
Director City Planning
Director Infrastructure and Services

STATUTORY IMPLICATIONS

Legislative Implications

Section 440 of the Local Government Act 1993 requires all New South Wales Councils to adopt a Code of Conduct.

Financial Implications

Nil

Policy Implications

Council adopted the Model Code of Conduct at the Council Meeting held on Wednesday July 16 2008.

CONCLUSION

Council is required to have independent members on the Conduct Review Committee.

RECOMMENDATION that:-

1. The report be received and noted.
2. A further report be prepared and brought back to Council nominating the independent members available in the Hunter Region.

To: **The General Manager**
Corporate & Community
Committee – 20 August 2008

C T BENNETT
DIRECTOR CORPORATE & COMMUNITY
11 August 2008