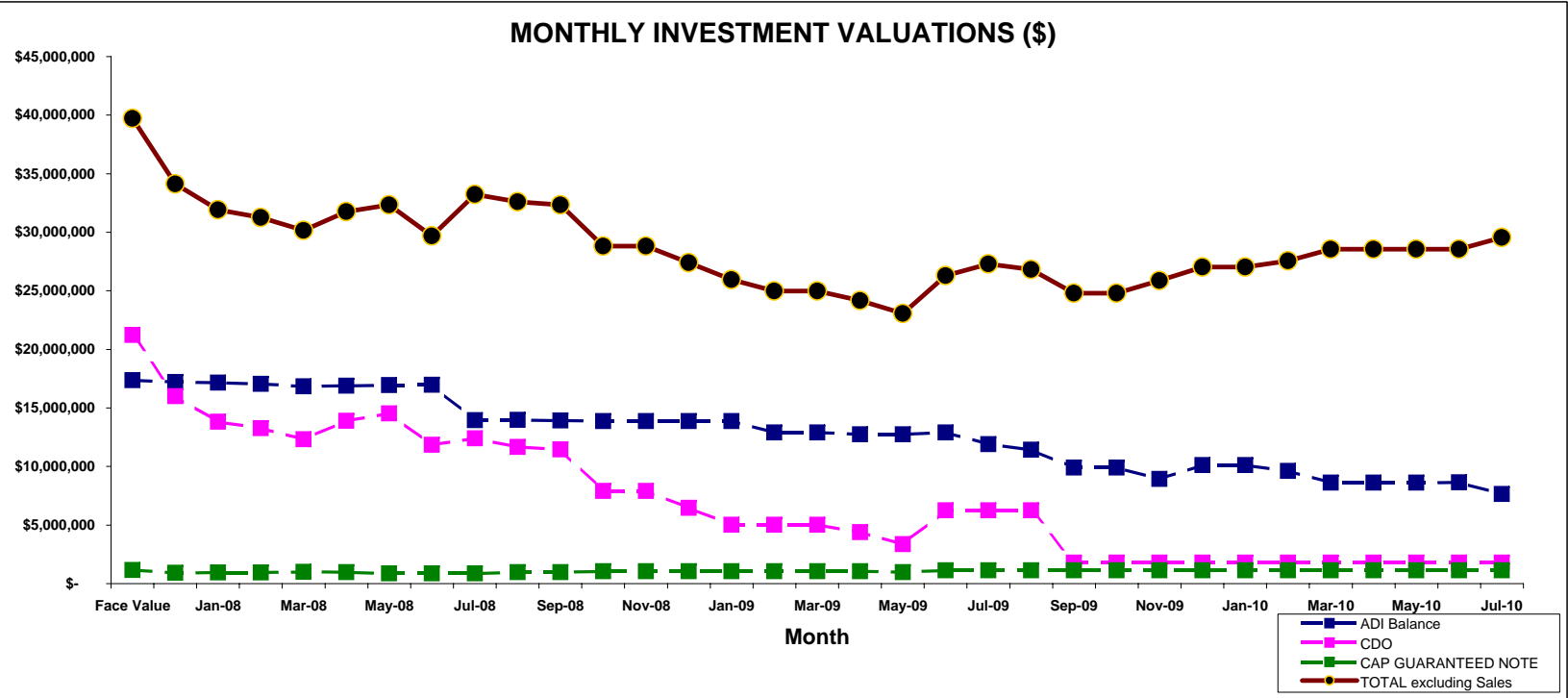
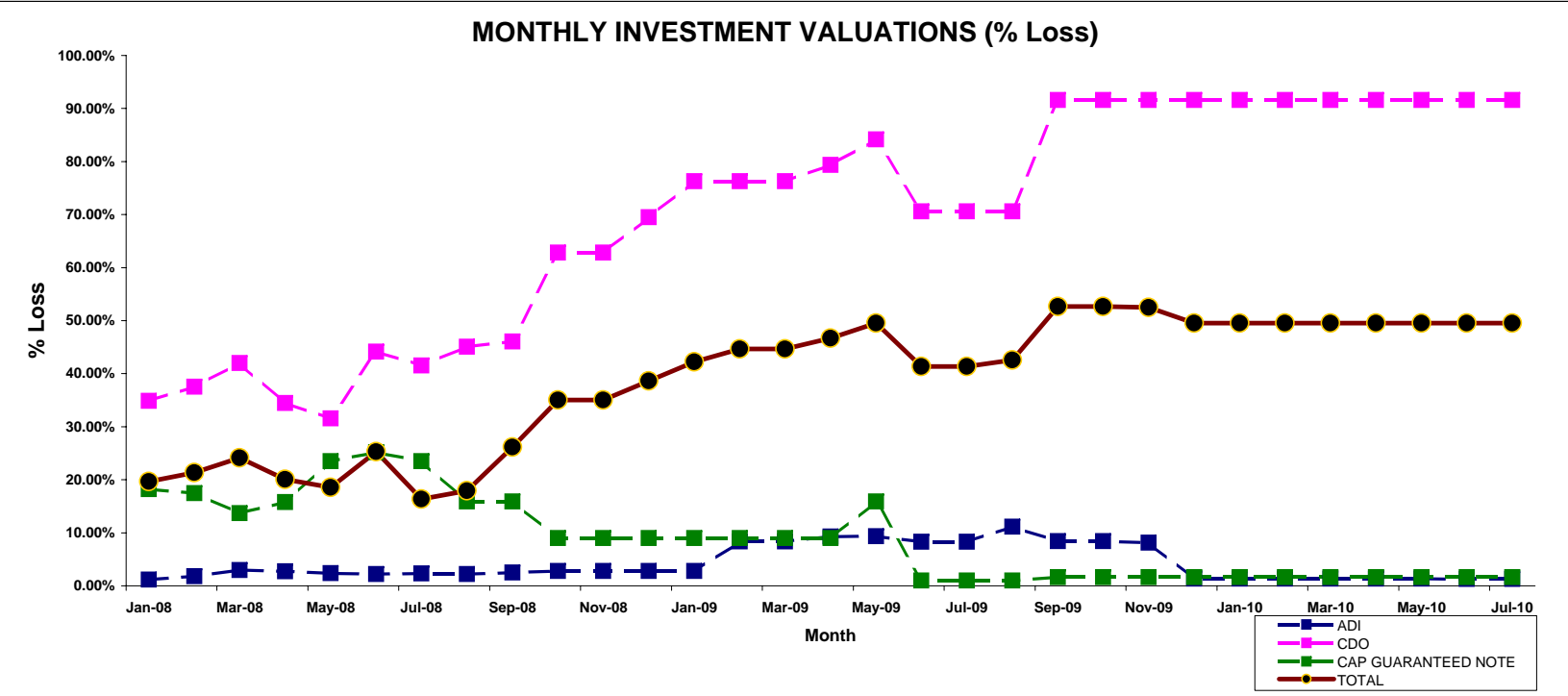


CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 JULY 2010

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2009 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL	\$ 27,669,498	\$ 27,664,725	\$ 27,668,861	\$ 4,136	0.01%
RESERVE	\$ 30,344,017	\$ 9,574,339	\$ 10,527,640	\$ 953,300	3.14%
TRUST	\$ 735,175	\$ 735,175	\$ 735,175	\$ -	0.00%
CRF	\$ 170,718	\$ 170,718	\$ 170,718	\$ -	0.00%
	\$ 58,919,407	\$ 38,144,957	\$ 39,102,393	\$ 957,436	1.62%

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2009 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
ADI	\$ 8,000,000	\$ 6,675,414	\$ 7,632,850	\$ 957,436	11.97%
CDO	\$ 21,220,000	\$ 1,788,844	\$ 1,788,844	\$ -	0.00%
CAP GUARANTEED NOTE	\$ 1,150,000	\$ 1,131,292	\$ 1,131,292	\$ -	0.00%
TERM DEPOSIT	\$ 21,457,273	\$ 21,457,273	\$ 21,457,273	\$ -	0.00%
11AM	\$ 6,861,489	\$ 6,861,489	\$ 6,861,489	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 58,919,407	\$ 38,144,957	\$ 39,102,393	\$ 957,436	1.62%

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2009 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AAA	\$ -	\$ -	\$ -	\$ -	0.00%
AA	\$ 15,718,762	\$ 14,738,362	\$ 14,738,362	\$ -	0.00%
AA-	\$ 14,250,000	\$ 14,106,326	\$ 14,208,392	\$ 102,066	0.72%
A	\$ 6,000,000	\$ 5,232,365	\$ 5,714,500	\$ 482,135	8.04%
BBB+	\$ 1,000,000	\$ 918,233	\$ 972,400	\$ 54,167	5.42%
BBB	\$ 2,500,000	\$ 2,149,782	\$ 2,468,850	\$ 319,068	12.76%
BBB-	\$ 2,000,000	\$ 125,600	\$ 125,600	\$ -	0.00%
BB+	\$ 1,800,000	\$ 355,140	\$ 355,140	\$ -	0.00%
CCC+	\$ 3,300,000	\$ 39,000	\$ 39,000	\$ -	0.00%
CCC	\$ 1,885,000	\$ 159,456	\$ 159,456	\$ -	0.00%
CCC-	\$ 4,935,000	\$ 79,045	\$ 79,045	\$ -	0.00%
C	\$ 5,300,000	\$ 11,003	\$ 11,003	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 58,919,407	\$ 38,144,957	\$ 39,102,393	\$ 957,436	1.62%



**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 JULY 2010**

INSTITUTION / INVESTMENT	RISK of IMPAIRMENT	INVESTMENT TYPE	Current Interest Rate %	S & P RATING	PROPORTION	MAX. PER INSTITUTION POLICY 13-PL-003	PURCHASE PRICE \$	BOOK VALUE AT 30/6/2009 \$	CURRENT EST MARKET VALUE \$
BANKWEST (11AM)		11AM	4.45%	AA	7%	20%	\$4,061,489	\$4,061,489	\$4,061,489
WESTPAC (MAXI DIRECT)		11AM	4.50%	AA-	5%	20%	\$2,800,000	\$2,800,000	\$2,800,000
WESTPAC (MAXI BONUS 1)		11AM	4.50%	AA-	0%	20%	\$0	\$0	\$0
WESTPAC (MAXI BONUS 2)		11AM	4.50%	AA-	0%	20%	\$0	\$0	\$0
BANKWEST (TERM)		TERM	5.75%	AA	0%	20%	\$157,273	\$157,273	\$157,273
COMMONWEALTH BANK		TERM	5.53%	AA	16%	120%	\$9,500,000	\$9,500,000	\$9,500,000
SUNCORP METWAY LTD (TERM)		TERM	5.98%	A	4%	120%	\$2,500,000	\$2,500,000	\$2,500,000
NAB		TERM	5.25%	AA	12%	20%	\$7,000,000	\$7,000,000	\$7,000,000
WESTPAC (TERM)		TERM	5.80%	AA-	4%	20%	\$2,300,000	\$2,300,000	\$2,300,000
ADELAIDE BANK		ADI	5.32%	BBB+	2%	10%	\$1,000,000	\$918,233	\$972,400
ELDERS RURAL BANK		ADI	5.55%	BBB	4%	0%	\$2,500,000	\$2,149,782	\$2,468,850
MACQUARIE BANK		ADI	5.22%	A	3%	15%	\$1,500,000	\$965,599	\$1,287,900
SUNCORP METWAY LTD		ADI	4.23%	A	3%	15%	\$2,000,000	\$1,766,766	\$1,926,600
WESTPAC BANK		ADI	5.09%	AA-	2%	20%	\$1,000,000	\$875,034	\$977,100
DEUTSCHE BANK	Low	CAP	7.05%	AA-	2%	20%	\$1,150,000	\$1,131,292	\$1,131,292
APHX (GLENELG)	High	CDO	6.60%	BBB-	3%	0%	\$2,000,000	\$125,600	\$125,600
BERYL FINANCE GLOBAL BANK NOTE	Early Term.	CDO	0.00%	C	3%	0%	\$2,000,000	\$1	\$1
BERYL FINANCE GLOBAL BANK NOTE 2	Early Term.	CDO	0.00%	C	1%	0%	\$450,000	\$1	\$1
CORSAIR (CAYMAN) KAKADU	High	CDO	6.30%	CCC	3%	0%	\$1,500,000	\$76,950	\$76,950
CORSAIR (CAYMAN) TORQUAY	High	CDO	6.50%	CCC-	3%	0%	\$1,885,000	\$23,000	\$23,000
ETHICAL LIMITED GREEN	High	CDO	5.90%	CCC-	2%	0%	\$1,000,000	\$11,000	\$11,000
HELIUM CAPITAL (ESPERANCE)	High	CDO	6.60%	BB+	3%	0%	\$1,800,000	\$355,140	\$355,140
HELIUM CAPITAL (SCARBOROUGH)	High	CDO	6.74%	CCC+	3%	0%	\$1,800,000	\$21,000	\$21,000
MAGNOLIA FLINDERS	Moderate	CDO	6.40%	AA-	3%	20%	\$2,000,000	\$1,019,600	\$1,019,600
MANAGED ACES CLASS 11A PARKES	High	CDO	4.24%	CCC-	2%	0%	\$1,000,000	\$16,800	\$16,800
MANAGED ACES CLASS 1A PARKES	High	CDO	5.98%	CCC-	2%	0%	\$1,050,000	\$28,245	\$28,245
OMEGA CAPITAL CLASS A HENLEY	High	CDO	5.70%	CCC	1%	0%	\$385,000	\$82,506	\$82,506
STARTS (CAYMAN) BLUE GUM	High	CDO	2.77%	CCC+	3%	0%	\$1,500,000	\$18,000	\$18,000
ZIRCON FINANCE COOLANGATTA	Early Term.	CDO	0.00%	C	3%	0%	\$1,500,000	\$9,300	\$9,300
ZIRCON FINANCE MERIMBULA	Early Term.	CDO	0.00%	C	1%	0%	\$500,000	\$1,700	\$1,700
ZIRCON FINANCE MIAMI	Early Term.	CDO	0.00%	C	1%	0%	\$850,000	\$1	\$1
UNITS IN LOCAL GOVT HOUSE		UNITS	0.00%				\$230,645	\$230,645	\$230,645
TOTAL FUNDS INVESTED					100%		\$58,919,407	\$38,144,957	\$39,102,393

DIVERSIFICATION / CREDIT RISK COMPARISON

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO POLICY 13-PL-003	Comments
AAA	\$0	\$0	0%	100%	
AA	\$22,718,762	\$21,738,362	56%	80%	
AA-	\$7,250,000	\$7,208,392	18%	80%	
A	\$6,000,000	\$5,714,500	15%	50%	
BBB+	\$1,000,000	\$972,400	2%	20%	
BBB	\$2,500,000	\$2,468,850	6%	0%	Purchased Prior To Policy Change
BBB-	\$2,000,000	\$125,600	0%	0%	
BB+	\$1,800,000	\$355,140	1%	0%	
CCC+	\$3,300,000	\$39,000	0%	0%	
CCC	\$1,885,000	\$159,456	0%	0%	
CCC-	\$4,935,000	\$79,045	0%	0%	
C	\$5,300,000	\$11,003	0%	0%	
UNITS IN LOCAL GOVT. HOUSE	\$230,645	\$230,645	1%	0.1%	Council Decision
TOTAL	\$58,919,407	\$39,102,393	100%		

DIVERSIFICATION RISK

INSTITUTION	INVESTMENT TYPE	S & P RATING	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION	Comments
BANKWEST (11AM)	11AM	AA	4,061,489	10.39%		20%	
BANKWEST (TERM)	TERM	AA	157,273	0.40%	10.79%	20%	
COMMONWEALTH BANK	TERM	AA	9,500,000	24.30%	24.30%	20%	Timing
MACQUARIE BANK	ADI	A	1,287,900	3.29%		15%	
MACQUARIE BANK (TERM)	TERM	AAA	-	0.00%	3.29%	20%	
NAB	TERM	AA	7,000,000	17.90%	17.90%	20%	
SAVINGS & LOANS	TERM	AAA	-	0.00%	0.00%	25%	
ST GEORGE BANK (TERM)	TERM	AA-	-	0.00%	0.00%	20%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	-	0.00%		20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	-	0.00%		20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	2,800,000	7.16%		20%	
WESTPAC (TERM)	TERM	AA-	2,300,000	5.88%		20%	
WESTPAC BANK	ADI	AA-	977,100	2.50%	15.54%	20%	
ADELAIDE BANK	ADI	BBB+	972,400	2.49%	2.49%	10%	
ELDERS RURAL BANK	ADI	BBB	2,468,850	6.31%	6.31%	10%	
SUNCORP METWAY LTD (TERM)	TERM	A	2,500,000	6.39%		15%	
SUNCORP METWAY LTD	ADI	A	1,926,600	4.93%	11.32%	15%	
DEUTSCHE BANK - CAPITAL GUARANTEED NOTE	CAP	CAP	1,131,292	2.89%	2.89%	20%	
CDO - Various	CDO		1,788,844	4.57%	4.57%		Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	UNITS		230,645	0.59%	0.59%		
			\$39,102,393	100%	100%		

MATURITY COMPARISON

TERM to MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	28,148,044	100%	100%	
< 2 years	-	0%	10%	
< 3 years	-	0%	10%	
< 4 years	-	0%	0%	
< 5 years	-	0%	0%	
> 5 years	25,346	0%	0%	Purchased Prior To Policy Change
	28,173,390	100%		
RESERVE FUNDS				
< 1 year	-	0%	100%	
< 2 years	3,205,798	30%	80%	
< 3 years	397,840	4%	80%	
< 4 years	108,950	1%	40%	
< 5 years	179,947	2%	40%	
> 5 years	6,635,105	63%	20%	Purchased Prior To Policy Change
	10,527,640	100%		