

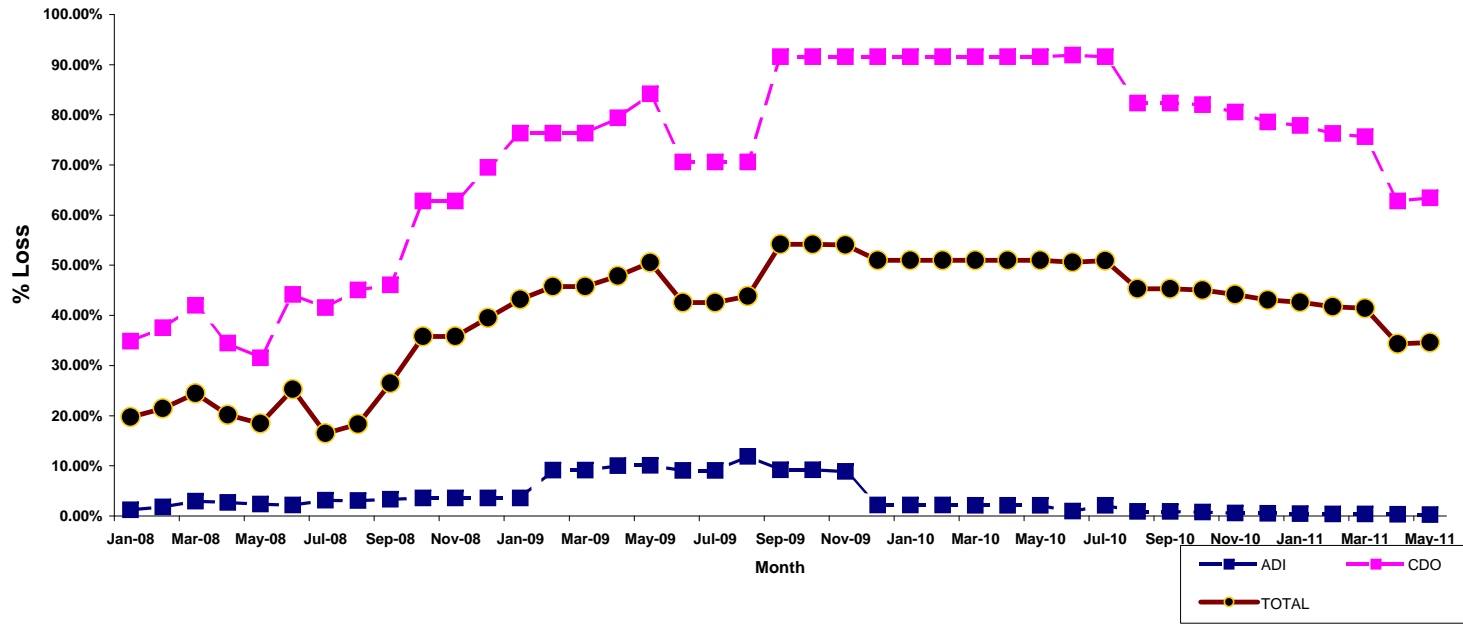
**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 MAY 2011**

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL RESERVE TRUST CRF	\$ 42,575,571	\$ 42,575,571	\$ 42,575,571	\$ -	0.00%
	\$ 41,297,583	\$ 23,116,326	\$ 29,299,455	\$ 6,183,129	14.97%
	\$ 504,947	\$ 504,947	\$ 504,947	\$ -	0.00%
	\$ 178,313	\$ 178,313	\$ 178,313	\$ -	0.00%
	\$ 84,556,414	\$ 66,375,157	\$ 72,558,286	\$ 6,183,129	7.31%

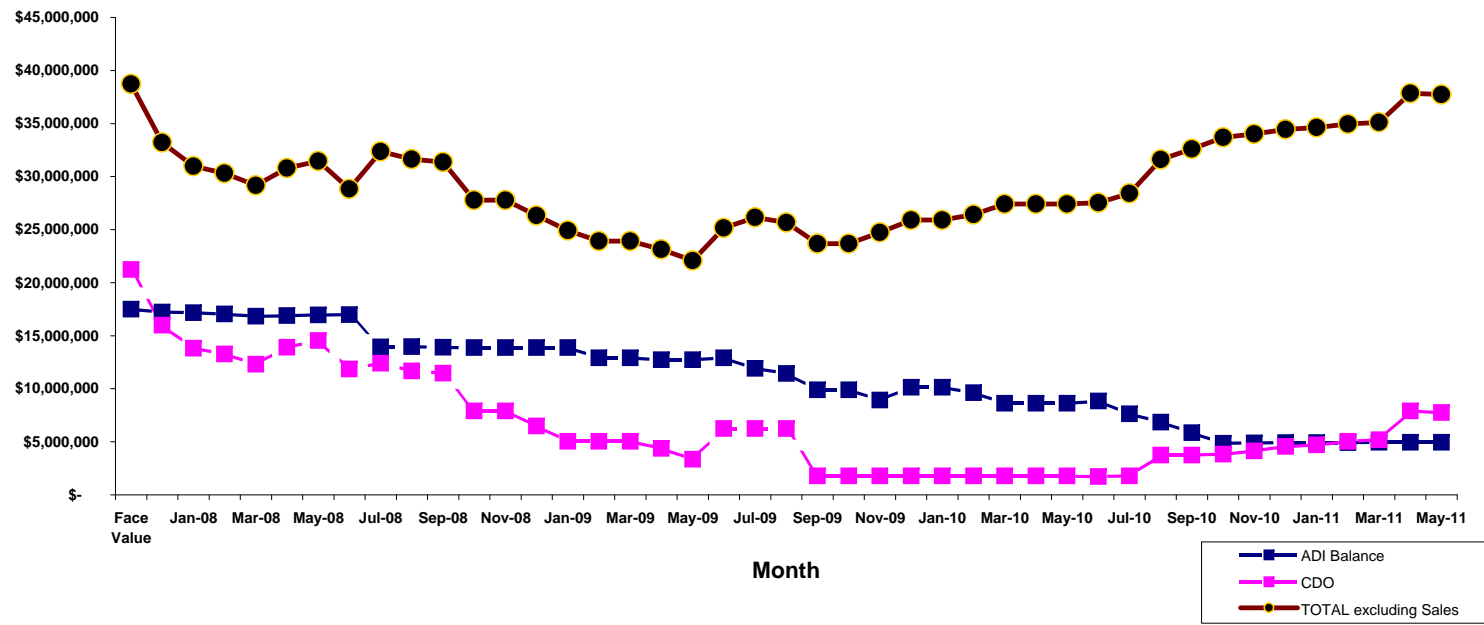
SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
ADI	\$ 5,000,000	\$ 4,830,905	\$ 4,956,355	\$ 125,450	2.51%
CDO	\$ 19,720,000	\$ 1,707,838	\$ 7,765,517	\$ 6,057,679	30.72%
BOND	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
FRTD	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
TERM DEPOSIT	\$ 52,989,096	\$ 52,989,096	\$ 52,989,096	\$ -	0.00%
11AM	\$ 2,616,673	\$ 2,616,673	\$ 2,616,673	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 84,556,414	\$ 66,375,157	\$ 72,558,286	\$ 6,183,129	7.31%

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AA	\$ 19,678,313	\$ 19,678,313	\$ 19,678,313	\$ -	0.00%
AA-	\$ 30,627,456	\$ 30,609,726	\$ 30,621,666	\$ 11,940	0.04%
A+	\$ 5,300,000	\$ 5,300,000	\$ 5,300,000	\$ -	0.00%
A	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -	0.00%
A-	\$ 3,500,000	\$ 3,363,435	\$ 3,462,145	\$ 98,710	2.82%
BBB+	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
CCC	\$ 1,500,000	\$ 76,950	\$ 646,950	\$ 570,000	38.00%
CCC-	\$ 3,600,000	\$ 376,140	\$ 900,000	\$ 523,860	14.55%
NR	\$ 15,120,000	\$ 1,739,948	\$ 6,718,567	\$ 4,978,619	32.93%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 84,556,414	\$ 66,375,157	\$ 72,558,286	\$ 6,183,129	7.31%

MONTHLY INVESTMENT VALUATIONS (% Loss)



MONTHLY INVESTMENT VALUATIONS (\$)



**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 MAY 2011**

INSTITUTION / INVESTMENT	RISK OF IMPAIRMENT	INVESTMENT TYPE	Current Interest		PROPORTION	MAX. PER INSTITUTION	FACE	BOOK VALUE	CURRENT EST	INVESTMENT
			Rate %	S & P RATING			VALUE \$	AT 30/6/2010 \$	MARKET VALUE \$	GAIN / (LOSS) SINCE 30/6/10 \$
BANKWEST (11AM)		11AM	4.70%	AA	1%	20%	\$1,013,445	\$1,013,445	\$1,013,445	\$0
WESTPAC (MAXI DIRECT)		11AM	4.80%	AA-	1%	20%	\$500,000	\$500,000	\$500,000	\$0
WESTPAC (MAXI BONUS 1)		11AM	5.20%	AA-	1%	20%	\$1,103,228	\$1,103,228	\$1,103,228	\$0
WESTPAC (MAXI BONUS 2)		11AM	5.20%	AA-	0%	20%	\$0	\$0	\$0	\$0
							\$2,616,673	\$2,616,673	\$2,616,673	\$0
BANKWEST (TERM)		TERM	5.85%	AA	8%	20%	\$7,164,868	\$7,164,868	\$7,164,868	\$0
COMMONWEALTH BANK (TERM)		TERM	5.59%	AA	11%	20%	\$9,500,000	\$9,500,000	\$9,500,000	\$0
SUNCORP METWAY LTD (TERM)		TERM	6.17%	A+	6%	20%	\$5,300,000	\$5,300,000	\$5,300,000	\$0
ING BANK		TERM	6.21%	A	4%	20%	\$3,000,000	\$3,000,000	\$3,000,000	\$0
NAB		TERM	6.09%	AA	12%	20%	\$10,000,000	\$10,000,000	\$10,000,000	\$0
ST GEORGE BANK (TERM)		TERM	5.89%	AA-	11%	20%	\$9,500,000	\$9,500,000	\$9,500,000	\$0
WESTPAC (TERM)		TERM	5.81%	AA-	10%	20%	\$8,524,228	\$8,524,228	\$8,524,228	\$0
							\$52,989,096	\$52,989,096	\$52,989,096	\$0
COMMONWEALTH BANK (BOND)		BOND	5.97%	AA	2%	20%	\$2,000,000	\$2,000,000	\$2,000,000	\$0
							\$2,000,000	\$2,000,000	\$2,000,000	\$0
BANK OF QUEENSLAND (FLOAT RATE TD)		FRTD	6.42%	BBB+	2%	20%	\$2,000,000	\$2,000,000	\$2,000,000	\$0
							\$2,000,000	\$2,000,000	\$2,000,000	\$0
ADELAIDE BANK	Very Low	ADI	5.28%	A-	1%	10%	\$1,000,000	\$983,880	\$996,100	\$12,220
ELDERS RURAL BANK	Very Low	ADI	5.62%	BBB	1%	0%	\$500,000	\$485,200	\$500,000	\$14,800
MACQUARIE BANK	Very Low	ADI	5.37%	A-	2%	15%	\$1,500,000	\$1,410,105	\$1,466,955	\$56,850
SUNCORP METWAY LTD	Very Low	ADI	5.20%	A-	1%	15%	\$1,000,000	\$969,450	\$999,090	\$29,640
WESTPAC BANK	Very Low	ADI	5.16%	AA-	1%	20%	\$1,000,000	\$982,270	\$994,210	\$11,940
APHEX (GLENELG)	High	CDO	6.57%	NR	2%	0%	\$2,000,000	\$125,600	\$800,000	\$674,400
BERYL FINANCE GLOBAL BANK NOTE	Early Term.	CDO	0.00%	NR	2%	0%	\$2,000,000	\$1	\$1,200,000	\$1,199,999
BERYL FINANCE GLOBAL BANK NOTE 2	Early Term.	CDO	0.00%	NR	1%	0%	\$450,000	\$1	\$270,000	\$269,999
CORSAIR (CAYMAN) KAKADU	High	CDO	6.24%	CCC	2%	0%	\$1,500,000	\$76,950	\$646,950	\$570,000
CORSAIR (CAYMAN) TORQUAY	Very High	CDO	6.55%	NR	2%	0%	\$1,885,000	\$23,000	\$259,565	\$236,565
ETHICAL LIMITED GREEN	High	CDO	5.84%	NR	1%	0%	\$1,000,000	\$11,000	\$318,500	\$307,500
HELIUM CAPITAL (ESPERANCE)	High	CDO	6.54%	CCC-	2%	0%	\$1,800,000	\$355,140	\$900,000	\$544,860
HELIUM CAPITAL (SCARBOROUGH)	High	CDO	6.83%	CCC	2%	0%	\$1,800,000	\$21,000	\$0	\$21,000
MAGNOLIA FLINDERS	Moderate	CDO	6.34%	NR	2%	20%	\$2,000,000	\$98,139	\$1,743,972	\$756,833
MANAGED ACES CLASS 11A PARKES	Very High	CDO	8.14%	NR	1%	0%	\$1,000,000	\$3,000	\$27,000	\$24,000
MANAGED ACES CLASS 1A PARKES	High	CDO	6.47%	NR	1%	0%	\$1,050,000	\$10,500	\$163,800	\$153,300
OMEGA CAPITAL CLASS A HENLEY	Moderate	CDO	5.80%	NR	0%	0%	\$385,000	\$82,506	\$345,730	\$263,224
STARTS (CAYMAN) BLUE GUM	Defaulted	CDO	#N/A	NR	0%	0%	\$0	\$0	\$0	\$0
ZIRCON FINANCE COOLANGATTA	Early Term.	CDO	0.00%	NR	2%	0%	\$1,500,000	\$9,300	\$600,000	\$590,700
ZIRCON FINANCE MERIBULA	Early Term.	CDO	0.00%	NR	1%	0%	\$500,000	\$1,700	\$150,000	\$148,300
ZIRCON FINANCE MIAMI	Early Term.	CDO	0.00%	NR	1%	0%	\$850,000	\$1	\$340,000	\$339,999
							\$24,720,000	\$6,538,743	\$12,721,872	\$6,183,129
UNITS IN LOCAL GOVT HOUSE		UNITS	0.00%				\$230,645	\$230,645	\$230,645	\$0
TOTAL FUNDS INVESTED					100%		\$84,556,414	\$66,375,157	\$72,558,286	\$6,183,129

DIVERSIFICATION / CREDIT RISK COMPARISON

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO	Comments
AAA	\$0	\$0	0%	100%	
AA	\$29,678,313	\$29,678,313	41%	80%	
AA-	\$20,627,456	\$20,627,456	28%	80%	
A+	\$5,300,000	\$5,300,000	7%	50%	
A	\$3,000,000	\$3,000,000	4%	50%	
A-	\$3,500,000	\$3,462,145	5%	50%	
BBB+	\$2,000,000	\$2,000,000	3%	20%	
BBB	\$500,000	\$500,000	1%	0%	
BB+	\$0	\$0	0%	0%	Purchased Prior To Policy Change
BB	\$0	\$0	0%	0%	
B+	\$0	\$0	0%	0%	
B	\$0	\$0	0%	0%	
CCC+	\$0	\$0	0%	0%	
CCC	\$1,500,000	\$646,950	1%	0%	
CCC-	\$3,600,000	\$900,000	1%	0%	
C	\$0	\$0	0%	0%	
NR	\$14,620,000	\$6,218,567	9%	0%	
UNITS IN LOCAL GOVT: HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
TOTAL	\$84,556,414	\$72,558,286	100%		

DIVERSIFICATION RISK

INSTITUTION	INVESTMENT TYPE	S & P RATING	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION	Comments
ADELAIDE BANK	ADI	A-	\$96,100	1.37%	1.37%	10%	
BANK OF QUEENSLAND (FLOAT RATE TD)	FRTD	BBB+	\$2,000,000	2.76%	9.87%	20%	
BANKWEST (11AM)	11AM	AA	\$1,013,445	1.40%	20%	20%	
BANKWEST (TERM)	TERM	AA	\$7,164,868	9.87%	11.27%	20%	
COMMONWEALTH BANK (TERM)	TERM	AA	\$9,500,000	13.09%	13.09%	20%	
COMMONWEALTH BANK (BOND)	BOND	AA	\$2,000,000	2.76%	15.85%	20%	
ELDERS RURAL BANK	ADI	BBB	\$500,000	0.69%	0.69%	10%	
ING BANK	TERM	A	\$3,000,000	4.13%	4.13%	20%	
MACQUARIE BANK	ADI	A-	\$1,466,955	2.02%	2.02%	15%	
MACQUARIE BANK (TERM)	TERM	AAA	\$0	0.00%	2.02%	20%	
NAB	TERM	AA	\$10,000,000	13.78%	13.78%	20%	
ST GEORGE BANK (TERM)	TERM	AA-	\$9,500,000	13.09%	13.09%	20%	
SUNCORP METWAY LTD (TERM)	TERM	A+	\$5,300,000	7.30%	7.30%	15%	
SUNCORP METWAY LTD	ADI	A-	\$999,090	1.38%	8.68%	15%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	\$1,103,228	1.52%	20%	20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	\$0	0.00%	20%	20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	\$500,000	0.69%	20%	20%	
WESTPAC (TERM)	TERM	AA-	\$8,524,228	11.75%	20%	20%	
WESTPAC BANK	ADI	AA-	\$94,210	1.37%	15.33%	20%	Purchased Prior To Policy Change
CDO - Various	CDO		\$7,765,517	10.70%	10.70%		Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	UNITS		\$230,645	0.32%	0.32%		
			\$72,558,286	96%	96%		

MATURITY COMPARISON

TERM TO MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	\$42,849,873	100%	100%	
< 2 years	-	0%	10%	
< 3 years	-	0%	10%	
< 4 years	-	0%	0%	
< 5 years	-	0%	0%	
> 5 years	-	0%	0%	
	\$42,849,873	100%		
RESERVE FUNDS				
< 1 year	\$15,317,655	52%	100%	
< 2 years	\$1,245,730	4%	80%	
< 3 years	\$3,375,015	12%	80%	
< 4 years	\$2,870,000	10%	40%	
< 5 years	\$2,190,800	7%	40%	
> 5 years	\$4,300,255	15%	20%	Purchased Prior To Policy Change
	\$29,299,455	100%		