
Shire of Perenjori
MINUTES
Finance Committee Meeting

Held in the Shire of Perenjori Council Chambers, Fowler Street, Perenjori on Thursday 19th
December 2013 to commenced at 3.09 pm.

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13121	PRELIMINARIES
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13121.1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

Cr C King officially opened the meeting at 3.09pm

13121.2 DISCLAIMER READING

13121.3 RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE

Present

Cr CR King
Cr L Butler
Cr LJ Smith
Cr JR Cunningham
Ali Mills –CEO
Peter Money - MCDC
David Fong - SFO
Carla Parker– Executive Officer

Apologies

Nil

13121.4 NOTATIONS OF INTEREST

Financial Interest – Local Government Act S 5.60a
Proximity Interest – Local Government Act S 5.60b
Interest Affecting Impartiality – Local Government - Code Of Conduct.

13121.5 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

13121.6 CONFIRMATION OF MINUTES

Minutes of Finance Committee Meeting held Thursday 17th October 2013 as attached.

Moved: Cr L Smith

Seconded: Ali Mills - CEO

Minutes of Finance Committee Meeting held Thursday 17th October 2013 as attached.

Carried: 7/0

13122 FINANCE & ADMINISTRATION

13122.1 FINANCIAL STATEMENTS – NOVEMBER 2013

APPLICANT:	SHIRE OF PERENJORI
FILE:	ADM 0081
DISCLOSURE OF INTEREST:	0
AUTHOR:	DAVID FONG – SFO
RESPONSIBLE OFFICER	PETER MONEY - MCDS
REPORT DATE:	10 DECEMBER 2013
ATTACHMENTS	MONTHLY FINANCIAL REPORT

Executive Summary

The Financial Activity Statement Report is presented for the Month of 30 November 2013. The report complies with the requirements of Regulation 34 (Financial activity statement report) of the Local Government (Financial Management) Regulations 1996.

Background

Each month officers are required to prepare monthly financial reports, covering prescribed information, and present these to Council for acceptance.

Details

Presented is the Financial Activity Statement Report – 30 November 2013.

The following statements are presented to Council:

- Statement of Financial Activity (Statutory Reporting by Program) - This provides the budget and actual income and expenditure for operating and non- recurrent as well and the closing surplus to date. (FM Reg 34(1))
- Net Current (Assets) Funding Position (Note 3.)-This provides the amount of assets over liabilities within the Balance Sheet. (FM Reg 34 (1)(e))
- Notes to the Financial Statements include:
 - Note 1.- Significant Accounting Policies
 - Note 2. - Graphical Representation
 - Note 3. – Net Current Funding Position
 - Note 4. – Cash & Investments
 - Note 5. – Major Variances
 - Note 6. – Budget Amendments
 - Note 7. – Receivables & Rates Information
 - Note 8. – Payables - Borrowings
 - Note 9. – Grants and Contributions
 - Note 10. – Cash Back Reserves
 - Note 11. - Capital Disposals and Acquisitions

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- Note 12.- Trust Fund

Legal Compliance

Regulation 34 (Financial activity statement report) of the Local Government (Financial Management) Regulations 1996 states –

- (1) A local government is to prepare each month a statement of financial activity reporting on the revenue and expenditure, as set out in the annual budget under regulation 22(1)(d), for that month in the following detail –
 - (a) Annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1) (b) or (c);
 - (b) budget estimates to the end of the month to which the statement relates;
 - (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
 - (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
 - (e) the net current assets at the end of the month to which the statement relates.
- (2) Each statement of financial activity is to be accompanied by documents containing –
 - (a) an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
 - (b) an explanation of each of the material variances referred to in subregulation (1) (d); and (c) such other supporting information as is considered relevant by the local government.
- (3) The information in a statement of financial activity may be shown –
 - (a) according to nature and type classification; or
 - (b) by program; or
 - (c) by business unit
- (4) A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be –
 - (a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
 - (b) recorded in the minutes of the meeting at which it is presented.
- (5) Each financial year, a local government is to adopt a percentage or value, calculated in accordance with the AAS, to be used in statements of financial activity for reporting material variances.

Section 6.8 of the Local Government Act 1995 (Expenditure from municipal fund not included in annual budget) states –

- (1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure –
 - a. is incurred in a financial year before the adoption of the annual budget by the local government; or
 - b. is authorised in advance by resolution*; or
 - c. is authorised in advance by the mayor or president in an emergency.

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

Area 5: Investing in Councils Leadership

Goal: Strengthen the Shire's position as an innovative, independent local Government providing excellence in all areas of governance, management and leadership.

Consultation

Liaison with CEO, MCDS, MIS, and External Contractor.

Comment

It is recommended that the Financial Activity Statement Report – 30 November 2013 be accepted.

Voting Requirements - Absolute Majority

Officers Recommendation – Item 13122.1

That Council, pursuant to Regulation 34 of the Local Government (Financial Management) Regulations 1996, accepts the Financial Activity Statement Report – 30 November 2013.
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COUNCIL RESOLUTION – ITEM 13122.1
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Moved: Cr L Smith

Seconded: Cr J Cunningham

That Council, pursuant to Regulation 34 of the Local Government (Financial Management) Regulations 1996, accepts the Financial Activity Statement Report – 30 November 2013.

Carried: 7/0

13122.2	ACCOUNTS FOR PAYMENT
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APPLICANT:	SHIRE OF PERENJORI
FILE:	1306P
DISCLOSURE OF INTEREST:	NIL
AUTHOR:	DAVID FONG – SFO
RESPONSIBLE OFFICER:	PETER MONEY - MCDS
REPORT DATE:	10 DECEMBER 2013
ATTACHMENTS:	ACCOUNTS FOR PAYMENT

Executive Summary

Recommendation - The Schedule of Accounts for 30 November 2013 be confirmed.

The Schedule of Accounts is presented pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996.

The report identifies payments made from the Municipal and Trust Fund.

Background

Council has delegated to the Chief Executive Officer the authority to make payments from the Municipal and Trust funds in accordance with the Local Government (Financial Management) Regulations 1996.

Under Regulation 13(1) of the Local Government (Financial Management) Regulations 1996, where a local government has delegated to the Chief Executive Officer the exercise of its power to make payments from the Municipal fund or the Trust fund, each payment from the Municipal fund or the Trust fund is to be noted on a list compiled for each month showing:

- a) The payee's name;
- b) The amount of the payment
- c) The date of the payment; and
- d) Sufficient information to identify the transaction

That list should then be presented at the next Ordinary Meeting of the Council following the preparation of the list, and recorded in the minutes of the meeting at which it is presented.

Legal Compliance

Section 6.10 (d) of the Local Government Act 1995 refers, i.e.-

6.10. financial management regulations

Regulations may provide for —

(d) the general management of, and the authorisation of payments out of —

(i) the municipal fund; and

(ii) the trust fund,

of a local government.

Regulation 13(1), (3) & (4) of the Local Government (Financial Management) Regulations 1996 refers, i.e. -

13. Lists of Accounts

(1) If the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing for each account paid since the last such list was prepared —

(a) the payee's name;

- (b) the amount of the payment;
- (c) the date of the payment; and (
- d) sufficient information to identify the transaction.
- (3) A list prepared under subregulation (1) is to be —
 - (a) presented to the council at the next ordinary meeting of the council after the list is prepared; and
 - (b) recorded in the minutes of that meeting.

Policy Implications

All accounts paid have been duly incurred and authorised for payment as per approved purchasing and payment procedures.

Financial Implication

Ongoing management of Council funds by providing Council with sufficient information to monitor and review payments made.

Strategic Implications

Area 5: Investing in Councils Leadership

Goal: Strengthen the Shire’s position as an innovative, independent local Government providing excellence in all areas of governance, management and leadership

Consultation

Nil

Comment

All accounts paid have been duly incurred and authorised for payment as per approved purchasing and payment procedures and it is therefore recommended that the payments, as contained within the Appendices, be confirmed.

Voting Requirements - Simple Majority

Officer and Committees Recommendation – Item 13122.2	
That Council, pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996 (as amended), confirms the accounts paid for 30 November 2013 as attached to and forming part of this report.	
<i>That the accounts paid to 30 November 2013 as listed in Schedule covering vouchers numbered from –</i>	
Municipal Account	
EFT	\$280,099.5
Direct Debits	\$57,175.15
Cheques	\$53,398.72
Corporate MasterCard	\$1,257.34
Bank Fees	\$1,564.23
Total	\$393,494.94

Trust Account	
EFT	\$820.00
Cheques	\$0
Bank Fees	\$0
Total	\$820.00

Totalling \$394,314.94 from Muni and Trust Account for the month of November 2013.

..... (Author).

.....(Manager/CEO)

COUNCIL RESOLUTION – ITEM 13122.2

Moved: Cr J Cunningham

Seconded: Cr L Smith

That Council, pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996 (as amended), confirms the accounts paid for 30 November 2013 as attached to and forming part of this report.

That the accounts paid to 30 November 2013 as listed in Schedule covering vouchers numbered from –

Municipal Account	
EFT	\$280,099.5
Direct Debits	\$57,175.15
Cheques	\$53,398.72
Corporate MasterCard	\$1,257.34
Bank Fees	\$1,564.23
Total	\$393,494.94

Trust Account	
EFT	\$820.00
Cheques	\$0
Bank Fees	\$0
Total	\$820.00

Totalling \$394,314.94 from Muni and Trust Account for the month of November 2013.

.....(Author).

.....(Manager/CEO)

Carried: 7/0

13122.3	FORMAL ENDORSEMENT OF MT GIBSON INFRASTRUCTURE RESERVE
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APPLICANT:	SHIRE OF PERENJORI
FILE:	ADM 0469
DISCLOSURE OF INTEREST:	NIL
AUTHOR:	PETER MONEY - MCDS
RESPONSIBLE OFFICER:	ALI MILLS - CEO
REPORT DATE:	05 DECEMBER 2013
ATTACHMENTS:	NONE

Executive Summary

This report recommends the endorsement by the Council for the creation of a Reserve Account for the holding of funds for the Public Infrastructure Fund Reserve as part of the Mount Gibson Mining Public Benefit Agreement.

Background

At a Special Meeting of the Council on 7th August 2008 the Council endorsed the Mount Gibson Mining Public Benefit Agreement between MGM and the Shire. This Agreement was subsequently signed on 17th September 2008.

Item 4 of this Agreement required the establishment of a Reserve fund by the Shire to be named the Public Infrastructure Fund Reserve which was to hold funds provided by MGM for the purpose of "supporting the acquisition, restoration, extension or improvement of assets including but not limited to public buildings, recreation facilities, parks and gardens, power supply, water supply, land, drainage or roads.

Though the Agreement was approved and signed off by the Shire, the formation of the Reserve was never actually documented and endorsed by the Council. The Shire auditors UHY Haines Norton have commented during their recent audit that this Reserve needs to be established and the funds held there and accountable in the usual reporting processes.

Previously the funds received under the Agreement were held in an external Trust Fund which was not in accordance with the Agreement and being Shire controlled funds, should have been held in a Shire controlled account. Endorsing of this Reserve Fund will allow the funds to be deposited in the Reserve Fund for distribution in accordance with the Agreement and which will be subject to the statutory Reserve reporting processes.

Statutory Environment

Local Government Act 1995 S6.11 and
Local Government (Financial Management) Regulations, 1996 Regulations 8 and 17.

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

Area 5: Investing in Councils Leadership

Goal: Strengthen the Shire's position as an innovative, independent local Government providing excellence in all areas of governance, management and leadership

Consultation

CEO
SFO

Comment

Nil

Voting Requirements – Simple Majority

Officers Recommendation – Item 13122.3

That Council endorses the establishment of the Public Infrastructure Fund Reserve for the purpose of supporting the acquisition, restoration, extension or improvement of assets in the Shire of Perenjori.

COUNCIL RESOLUTION – ITEM 13122.3

Moved: Cr L Smith

Seconded: Cr J Cunningham

That Council endorses the establishment of the Public Infrastructure Fund Reserve for the purpose of supporting the acquisition, restoration, extension or improvement of assets in the Shire of Perenjori.

Carried: 7/0

13123 GENERAL BUSINESS

13123.1 MOTIONS OF WHICH DUE NOTICE HAVE BEEN GIVEN

Nil

13123.2 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

13123.3 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION

Nil

13123.4 MATTERS BEHIND CLOSED DOORS

13123.4.1 CONFIDENTIAL ITEM – VILLAGE ACCOMMODATION REVIEW & BUDGET AMENDMENT

COUNCIL RESOLUTION – Item 13123.4.1

Moved: Cr J Cunningham

Seconded: Cr L Smith

That Council

b) approves the budget amendment for the 2013/14 Budget

of \$37,198.88 from accounts 04100 and 0452 as presented:

Account No	Account Name	Budget	Reduction	Balance
04100	MWRC Contribution	\$90,000	\$22,198.88	\$67,801.12
04252	Capital – CEO Vehicle	\$65,000	\$15,000	\$50,000
TOTAL			\$37,198.88	

Carried: 7/0

13123.5 DATE OF NEXT MEETING / MEETINGS

The next Finance Committee meeting will be held on the 20th February 2014 at 10 am.

13123.6 CLOSURE

Cr C King officially closed the meeting at 3.35pm.

I certify that this copy of the Minutes is a true and correct record of the meeting held on 19th December 2013.

*Signed: _____
Presiding Elected Member*

Date: _____