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Shire of Perenjori  
AGENDA  
Finance Committee Meeting

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To be held in the Shire of Perenjori Council Chambers, Fowler Street, Perenjori on  
Wednesday 13<sup>th</sup> August 2014 to commence at 4.00pm.

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**14081 PRELIMINARIES**

In the absence of the Chairman the CEO called for nominations for the position for the Meeting.

**Moved: Cr Smith**

**Seconded: Cr Hirsch**

That Cr Cunningham be appointed Chairman for this Meeting

**Carried 6/0**

**14081.1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS**

**Cr Cunningham** declared the meeting opened at 4:15pm

**14081.2 DISCLAIMER READING**

**14081.3 RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE**

Cr J. Cunningham

Cr L. Smith

Cr J. Hirsch

Ali Mills CEO

Peter Money MCDS

David Fong SFO

Apologies Cr C. King

**14081.4 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.**

**14081.5 APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**14081.6 CONFIRMATION OF MINUTES**

Minutes of the Finance Committee Meeting held Wednesday 9<sup>th</sup> July 2014 as attached.

**Moved: Cr L Smith**

**Seconded: Cr J. Hirsch**

**That the Minutes of the Finance Committee Meeting Held Wednesday the 9<sup>th</sup> July 2014 as attached be accepted as true and correct record of the Meeting.**

**Carried: 6/0**

**14072 FINANCE & ADMINISTRATION**

**14072.1 FINANCIAL STATEMENTS – JULY 2014**

<b>APPLICANT:</b>	<b>SHIRE OF PERENJORI</b>
<b>FILE:</b>	<b>ADM 0081</b>
<b>DISCLOSURE OF INTEREST:</b>	<b>NIL</b>
<b>AUTHOR:</b>	<b>DAVID FONG – SFO</b>
<b>RESPONSIBLE OFFICER:</b>	<b>PETER MONEY – MCDS</b>
<b>REPORT DATE:</b>	<b>13<sup>th</sup> August 2014</b>
<b>ATTACHMENTS:</b>	<b>MONTHLY FINANCIAL REPORT</b>

**Executive Summary**

This item recommends the acceptance of the Financial Activity Statement Report which is presented for the period ending 30 June 2014. 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 for the period ending 30 June 2014.

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

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- Note 10. – Cash Back Reserves
  - Note 11. - Capital Disposals and Acquisitions
  - Note 12.- Trust Fund

**Legal Compliance**

- a. Regulation 34 (Financial activity statement report) of the Local Government (Financial Management) Regulations 1996 states –
- b. 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 –
  - c. (a) Annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1) (b) or (c);
  - d. (b) budget estimates to the end of the month to which the statement relates;
  - e. (c) actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
  - f. (d) material variances between the comparable amounts referred to in paragraphs (b) and (c); and
  - g. (e) the net current assets at the end of the month to which the statement relates.
- h. Each statement of financial activity is to be accompanied by documents containing –
  - i. (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;
  - j. (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.
- k. The information in a statement of financial activity may be shown –
  - l. (a) according to nature and type classification; or
  - m. (b) by program; or
  - n. (c) by business unit
- o. A statement of financial activity, and the accompanying documents referred to in subregulation (2), are to be –
  - p. (a) presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
  - q. (b) recorded in the minutes of the meeting at which it is presented.

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- r. 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.
  - s. Section 6.8 of the Local Government Act 1995 (Expenditure from municipal fund not included in annual budget) states –
  - t. A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure –
    - u. is incurred in a financial year before the adoption of the annual budget by the local government; or
    - v. is authorised in advance by resolution\*; or
    - w. 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,FO, ECDC, and MIS.

**Comment:**

It is recommended that the Financial Activity Statement Report for the period ending 30 June 2014 be accepted.

**Voting Requirements – Simple Majority**

<b>Officers Recommendation – Item 14072.1</b>
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<b>That Council, pursuant to Regulation 34 of the Local Government (Financial Management) Regulations 1996, accepts the Financial Activity Statement Report for the period ending 31 July 2014.</b>
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<b>Committee Recommendation – Item 14072.1</b>
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Moved: Cr L. Smith

Seconded: Cr J. Hirsch

**That Council, pursuant to Regulation 34 of the Local Government (Financial Management) Regulations 1996, accepts the Financial Activity Statement Report for the period ending 31 July 2014.**

**Carried: 6 /0**

<b>14072.2</b>	<b>ACCOUNTS FOR PAYMENT – JULY 2014</b>
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<b>APPLICANT:</b>	<b>SHIRE OF PERENJORI</b>
<b>FILE:</b>	<b>1306P</b>
<b>DISCLOSURE OF INTEREST:</b>	<b>NIL</b>
<b>AUTHOR:</b>	<b>DAVID FONG – SFO</b>
<b>RESPONSIBLE OFFICER:</b>	<b>PETER MONEY - MCDS</b>
<b>REPORT DATE:</b>	<b>13<sup>th</sup> August 2014</b>
<b>ATTACHMENTS:</b>	<b>ACCOUNTS FOR PAYMENT</b>

**Executive Summary**

**Recommendation - The Schedule of Accounts for month ending 31 July 2014 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.

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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 Implications**

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**

<b>Officers Recommendation – Item 14072.2</b>
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That Council, pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996 (as amended), confirms the accounts paid for the month ending <b>31 July 2014</b> as attached to and forming part of this report.
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Municipal Account	
EFT	\$789,537.74
Direct Debits	\$20,295.52
Cheques	\$69,421.74
Corporate MasterCard	\$12,604.95
Bank Fees	\$183.98
<b>Total</b>	<b>\$892,043.93</b>

Trust Account – Shire	
EFT	\$730.00
Cheques	\$0
Bank Fees	\$0
<b>Total</b>	<b>\$730.00</b>

Trust Account – Mt Gibson Public Benefit Funds	
EFT	\$0
Cheques	\$0
Bank Fees	\$0
<b>Total</b>	<b>\$0.00</b>

**Totaling \$892,773.93 from Muni and Trust Accounts for the month ending 31 July 2014**



**Committee Recommendation – Item 14072.2**

Moved: Cr J. Hirsch

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 the Month ending 31 July 2014 as attached to and forming part of this report.

Carried 6/0

**14073 GENERAL BUSINESS**

**14083.1 MOTIONS OF WHICH DUE NOTICE HAVE BEEN GIVEN**

Nil

**14083.2 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

Nil

**14083.3 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION**

Nil

**14083.4 MATTERS BEHIND CLOSED DOORS**

Nil

**14083.5 DATE OF NEXT MEETING / MEETINGS**

The next Finance Committee meeting will be discussed at the meeting held on the 10<sup>th</sup> September 2014.

**14083.6 CLOSURE**

Cr Cunningham closed the Meeting at 4:59PM

*I certify that this copy of the Minutes is a true and correct record of the meeting held on 13<sup>th</sup> August 2014.*

*Signed:* \_\_\_\_\_  
*Presiding Elected Member*

*Date:* \_\_\_\_\_