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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 Thursday  
17<sup>th</sup> March 2015 to commence at 5pm

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**15031 PRELIMINARIES**

**15031.1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS**

**15031.2 DISCLAIMER READING**

**15031.3 RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE**

**15031.4 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.**

**15031.5 APPLICATIONS FOR LEAVE OF ABSENCE**

**15031.6 CONFIRMATION OF MINUTES**

That the Minutes for the Finance Committee Meeting of 17<sup>th</sup> February 2015 be confirmed as a true and correct record of the meeting.

**15032 FINANCE & ADMINISTRATION**

**15032.1 FINANCIAL STATEMENTS – FEBRUARY 2015**

<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>DEBROAH BARNDON – SFO</b>
<b>RESPONSIBLE OFFICER:</b>	<b>PETER MONEY - MCDS</b>
<b>REPORT DATE:</b>	<b>17<sup>TH</sup> MARCH 2015</b>
<b>ATTACHMENTS:</b>	<b>MONTHLY FINANCIAL REPORT</b>

**Executive Summary**

This item recommends the Council accepts the Financial Activity Statement for the period ending 28<sup>th</sup> February 2015.

**Background**

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

**Details**

Presented is the Financial Activity Statement Report for the period ending 28<sup>th</sup> February 2015.

The following statements are presented to Council:

- Monthly Summary Information - Charts
- Statement of Financial Activity (Program and Nature& Type) - 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))
- Statement of Capital Acquisitions and Capital Funding
- 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. - Explanation of Material Variances
  - Note 3. – Net Current Funding Position
  - Note 4. – Cash & Investments
  - Note 5. – Budget Amendments
  - Note 6. – Receivables
  - Note 7. – Cash Back Reserves
  - Note 8. – Capital Disposals
  - Note 9. – Rating Information
  - Note 10. – Information on Borrowings

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- Note 11. – Grant and Contributions
  - Note 12.- Trust Fund
  - Note 13.- Details of Capital Acquisition

**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 34 (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 MCDS, FO, & MIS.

**Comment**

The statements are prepared in accordance with the Regulations and in the generally accepted format.

**Voting Requirements – Simple Majority**

**Officers and Committees Recommendation – Item 15032.1**

That Council, pursuant to Regulation 34 of the Local Government (Financial Management) Regulations 1996, accepts the Financial Activity Statement Report for the period ending 28th February 2015.

**15032.2 ACCOUNTS FOR PAYMENT – FEBRUARY 2015**

**APPLICANT:** SHIRE OF PERENJORI  
**FILE:** 1306P  
**DISCLOSURE OF INTEREST:** NIL  
**AUTHOR:** DEBROAH BARNDON – SFO  
**RESPONSIBLE OFFICER:** ALI MILLS - CEO  
**REPORT DATE:** 17<sup>TH</sup> MARCH 2015  
**ATTACHMENTS:** ACCOUNTS FOR PAYMENT

**Executive Summary**

This item recommends that the Council confirms the payment of accounts for December 2014 as shown on the attached schedule.

**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

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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 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**

FO

**Comment**

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

**Voting Requirements – Simple Majority**

**Officer and Committees Recommendation – Item 15032.2**

That Council, pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996 (as amended), confirms the accounts paid for the month ending **28<sup>th</sup> February 2015** as attached to and forming part of this report.

<b>Municipal Account</b>	
EFT	\$300,366.94
Direct Debits	\$47,432.02
Cheques	\$51,314.11
Corporate MasterCard	\$50,623.40
Bank Fees	\$237.00
<b>Total</b>	<b>\$449,736.47</b>

<b>Trust Account - Shire</b>	
EFT	\$300.00
Cheques	\$12,411.20
Bank Fees	\$0.00
<b>Total</b>	<b>\$12,711.20</b>

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

Total	\$0
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*Totalling \$462,447.67 from Municipal and Trust Accounts for the month ending 28<sup>th</sup> February 2015.*

**15033 GENERAL BUSINESS**

**15033.1 MOTIONS OF WHICH DUE NOTICE HAVE BEEN GIVEN**

**15033.2 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN**

**15033.3 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION**

**15033.4 MATTERS BEHIND CLOSED DOORS**

**15033.5 DATE OF NEXT MEETING / MEETINGS**

The next Finance Committee Meeting is to be held Tuesday 14<sup>th</sup> April 2015

**15033.6 CLOSURE**