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Shire of Perenjori  
MINUTES  
Finance Committee Meeting

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Held in the Shire of Perenjori Council Chambers, Fowler Street, Perenjori on Tuesday 19<sup>th</sup> December 2017 commenced at 5.00 pm.

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**17121 PRELIMINARIES****17121.1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS**

Cr L Butler declared the meeting open at 5.02 pm.

**17121.2 DISCLAIMER READING****17121.3 RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE**

Cr L Butler

Cr L Smith

Cr K Pohl

Cr J Hirsch

Ali Mills – CEO

Rose Jones - SFO

**17121.4 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**

**17121.5 APPLICATIONS FOR LEAVE OF ABSENCE****17121.6 CONFIRMATION OF MINUTES**

That the Minutes from the Finance Committee Meeting of the 14<sup>th</sup> November 2017 be confirmed as a true and correct record of that meeting.

**Officer Recommendation – Item 17121.6**

That Council accepts the Minutes from the Finance Committee Meeting of the 14<sup>th</sup> November 2017 as a true and correct record of that Meeting.

**Committee Resolution – Item 17121.6**

**Moved: Cr L Smith**

**Seconded: Cr J Hirsch**

**That Council accepts the Minutes from the Finance Committee Meeting of the 14<sup>th</sup> November 2017 as a true and correct record of that Meeting.**

**Carried: 6/0**

**17122 FINANCE & ADMINISTRATION****17122.1 FINANCIAL STATEMENTS – NOVEMBER 2017**

<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>ROSE JONES – SENIOR FINANCE OFFICER</b>
<b>RESPONSIBLE OFFICER:</b>	<b>ALI MILLS - CEO</b>
<b>REPORT DATE:</b>	<b>19<sup>TH</sup> DECEMBER 2017</b>
<b>ATTACHMENTS</b>	<b>MONTHLY FINANCIAL REPORT</b>

**Executive Summary**

This item recommends that the Council accepts the Financial Activity Statement for the period ending 30<sup>th</sup> November 2017.

**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 30<sup>th</sup> November 2017.

The following statements are presented to Council:

- Monthly Summary Information - Charts
- Statement of Financial Activity (Program of Nature and 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

- 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 sub regulation (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 sub regulation 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 –



**17122.2 ACCOUNTS FOR PAYMENT – NOVEMBER 2017**

<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>LIZ MARKHAM - AO</b>
<b>RESPONSIBLE OFFICER:</b>	<b>ALI MILLS - CEO</b>
<b>REPORT DATE:</b>	<b>19<sup>TH</sup> DECEMBER 2017</b>
<b>ATTACHMENTS</b>	<b>ACCOUNTS FOR PAYMENT</b>

**Executive Summary**

This item recommends that the Council confirms the payment of accounts for November 2017 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 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 34 (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**

Accountant

#### **Comment**

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

#### **Voting Requirements – Simple Majority**

#### **Officers Recommendation – Item 17122.2**

That Council, pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996 (as amended), confirms the accounts paid for the month ending 30<sup>th</sup> November 2017 as attached to and forming part of this report.

<b>Municipal Account</b>	
EFT	\$552603.33
Direct Debits	\$53810.78
Cheques	\$20663.00
Corporate MasterCard	\$1635.33
Bank Fees	\$
<b>Total</b>	<b>\$628,712.44</b>

Trust Account - Shire	
EFT	\$400.00
Cheques	\$
Bank Fees	\$
<b>Total</b>	<b>\$ 400.00</b>

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

*Totalling \$629,112.44 from Municipal and Trust Accounts for the month ending 30<sup>th</sup> November 2017.*

#### Officers Recommendation – Item 17122.2

**Moved: Cr L Smith**

**Seconded: Cr K Pohl**

**That Council, pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996 (as amended), confirms the accounts paid for the month ending 30<sup>th</sup> November 2017 as attached to and forming part of this report.**

**Carried: 6/0**

Municipal Account	
EFT	\$552603.33
Direct Debits	\$53810.78
Cheques	\$20663.00
Corporate MasterCard	\$1635.33
Bank Fees	\$



<b>Total</b>	<b>\$628,712.44</b>
<b>Trust Account - Shire</b>	
EFT	\$400.00
Cheques	\$
Bank Fees	\$
<b>Total</b>	<b>\$ 400.00</b>
<b>Trust Account – Mt Gibson Public Benefit Funds</b>	
EFT	\$
Cheques	\$
Bank Fees	\$
<b>Total</b>	<b>\$</b>
<i>Totalling \$629,112.44 from Municipal and Trust Accounts for the month ending 30<sup>th</sup> November 2017.</i>	

**17123 GENERAL BUSINESS****17123.1 MOTIONS OF WHICH DUE NOTICE HAVE BEEN GIVEN****17123.2 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN****17123.3 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION****17123.4 MATTERS BEHIND CLOSED DOORS****17123.5 DATE OF NEXT MEETING / MEETINGS**

The next Finance Committee Meeting is to be held Tuesday 13<sup>th</sup> February 2017 commencing at 5.00 pm.

**CLOSURE**

Cr L Butler declared the meeting closed at 6.15 pm.