Shire of Perenjori
Finance Committee Meeting
MINUTES
18th September 2018

Held in the Shire of Perenjori Council Chambers, Fowler Street, Perenjori on Tuesday 18th September 2018 commenced at 5.00 pm.

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18091 PRELIMINARIES

18091.1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

Cr L Butler declared the meeting open at 5.00 pm.

18091.2 DISCLAIMER READING

18091.3 RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE

Cr L Butler – Presiding Member
Cr J Hirsch
Cr L Smith
Stephen Tindale – Acting CEO
Joelene Dennis – MCDS

Apologies:
Cr K Pohl
Ally Bryant – SFO

18091.4 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

18091.5 APPLICATIONS FOR LEAVE OF ABSENCE

18091.6 CONFIRMATION OF MINUTES

That the Minutes from the Finance Committee Meeting of the 14th August 2018 be confirmed as a true and correct record of that meeting.

**Officer Recommendation – Item 18091.6**

That Council accepts the Minutes from the Finance Committee Meeting of the 14th August 2018 as a true and correct record of that Meeting.

**Committee Resolution – Item 18091.6**

Moved: Cr Smith
Seconded: Cr Hirsch
That Council accepts the Minutes from the Finance Committee Meeting of the 14th August 2018 as a true and correct record of that Meeting. Carried: 3/0
Executive Summary

This item recommends that the Council accepts the Financial Activity Statement for the period ending 31st August 2018.

Background

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

Details


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
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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 —
   - Annual budget estimates, taking into account any expenditure incurred for an additional purpose under section 6.8(1) (b) or (c);
   - budget estimates to the end of the month to which the statement relates;
   - actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;
   - material variances between the comparable amounts referred to in paragraphs (b) and (c); and
   - 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 —
   - an explanation of the composition of the net current assets of the month to which the statement relates, less committed assets and restricted assets;
   - an explanation of each of the material variances referred to in sub regulation (1) (d); and
   - such other supporting information as is considered relevant by the local government.

3. The information in a statement of financial activity may be shown —
   - according to nature and type classification; or
   - by program; or
   - by business unit

4. A statement of financial activity, and the accompanying documents referred to in sub regulation 34 (2), are to be —
   - presented at an ordinary meeting of the council within 2 months after the end of the month to which the statement relates; and
   - 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 —
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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, SFO, & MIS.

Comment
Nil.

Voting Requirements – Simple Majority

Officers Recommendation – Item 18092.1


Committee Resolution – Item 18092.1

Moved: Cr Hirsch Seconded: Cr Smith


Carried: 3/0
18092.2 ACCOUNTS FOR PAYMENT – AUGUST 2018

APPLICANT: SHIRE OF PERENJORI
FILE: 1306P
DISCLOSURE OF INTEREST: NIL
AUTHOR: LIZ MARKHAM - AO
RESPONSIBLE OFFICER: ALLY BRYANT - SFO
REPORT DATE: 18th SEPTEMBER 2018
ATTACHMENTS ACCOUNTS FOR PAYMENT

Executive Summary
This item recommends that the Council confirms the payment of accounts for August 2018 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 —
(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**

<table>
<thead>
<tr>
<th>Officers Recommendation – Item 18092.2</th>
</tr>
</thead>
<tbody>
<tr>
<td>That Council, pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996 (as amended), confirms the accounts paid for the month ending 31st August 2018 as attached to and forming part of this report.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Municipal Account</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EFT</td>
<td>$737,967.03</td>
</tr>
<tr>
<td>Direct Debits</td>
<td>$46,613.67</td>
</tr>
<tr>
<td>Cheques</td>
<td>$21,363.11</td>
</tr>
<tr>
<td>Corporate MasterCard</td>
<td>$1,464.40</td>
</tr>
<tr>
<td>Bank Fees</td>
<td>$239.75</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$807,647.96</strong></td>
</tr>
</tbody>
</table>
## Trust Account - Shire

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>EFT</td>
<td>$550.00</td>
</tr>
<tr>
<td>Cheques</td>
<td>$623.20</td>
</tr>
<tr>
<td>Bank Fees</td>
<td>$</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 1,173.20</strong></td>
</tr>
</tbody>
</table>

## Trust Account – Mt Gibson Public Benefit Funds

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
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<td><strong>Total</strong></td>
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</tr>
</tbody>
</table>

*Totalling $808,821.16 from Municipal and Trust Accounts for the month ending 31st August 2018.*

## Committee Resolution – Item 18092.2

**Moved: Cr Hirsch**  
**Seconded: Cr 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 31st August 2018 as attached to and forming part of this report.

*Carried: 3/0*

## Municipal Account

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Finance Committee Meeting

18th September 2018

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Shire of Perenjori

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<th>Amount</th>
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<td>Total</td>
<td>$807,647.96</td>
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Trust Account - Shire

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Trust Account – Mt Gibson Public Benefit Funds

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</tr>
<tr>
<td>Total</td>
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</tr>
</tbody>
</table>

Totalling $808,821.16 from Municipal and Trust Accounts for the month ending 31st August 2018.

18092.3 BANK SIGNATORIES

APPLICANT: SHIRE OF PERENJORI
FILE: NIL
DISCLOSURE OF INTEREST: NIL
AUTHOR: STEPHEN TINDALE – A/CEO
RESPONSIBLE OFFICER: STEPHEN TINDALE – A/CEO
REPORT DATE: 18th September 2018
ATTACHMENTS NIL

Executive Summary
This item asks Council’s endorsement to make an alteration to the Bank signatories by adding the new Acting Chief Executive Officer (A/CEO) whilst removing the previous incumbent.

Background
It is a requirement for Council to endorse any alterations to the Bank signatories, with the minutes provided to Bankwest verifying such approvals. Two signatures are required on all bank transactions to ensure adequate securities are in place. The current signatures are:

- CEO – Allison Mills
- MCDS – Joelene Dennis
- MIS – Ken Markham
- SFO – Alice Bryant
- President – Laurie Butler

The following changes are proposed to reflect the current employee situation:

- Acting CEO – Stephen Tindale
- MCDS – Joelene Dennis
- MIS – Ken Markham
- SFO – Alice Bryant
- President – Laurie Butler

**Statutory Environment**

Local Government (Financial) Regulations 1996

**Policy Implications**

Nil

**Financial Implications**

Nil

**Strategic Implications**

Area 5: Investing in Councils Capacity – Our Leadership

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

**Risk Management**

<table>
<thead>
<tr>
<th>Risk Statement</th>
<th>Level of Risk</th>
<th>Risk Mitigation Strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Don’t have sufficient choices in signatories to accommodate people being away.</td>
<td>Medium (Likelihood: likely, Consequence: Moderate)</td>
<td>Ensure signatories are changed asap to accommodate changes in staffing.</td>
</tr>
</tbody>
</table>

**Consultation**

BankWest

**Comment**

Nil

**Voting Requirements – Simple Majority**
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**Officers Recommendation – Item 18092.3**

That Council approves the removal of the previous Chief Executive Officer – Allison Marie Mills as Bankwest signatory and adds the current Acting Chief Executive Officer – Stephen David Tindale.

**Committee Resolution – Item 18092.3**

Moved: Cr Hirsch  
Seconded: Cr Smith

That Council approves the removal of the previous Chief Executive Officer – Allison Marie Mills as Bankwest signatory and adds the current Acting Chief Executive Officer – Stephen David Tindale.

Carried: 3/0

**18093 GENERAL BUSINESS**

18093.1 MOTIONS OF WHICH DUE NOTICE HAVE BEEN GIVEN

18093.2 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

18093.3 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION

18093.4 MATTERS BEHIND CLOSED DOORS

18093.5 DATE OF NEXT MEETING / MEETINGS

The next Finance Committee Meeting is to be held Tuesday 16th October 2018 commencing at 5.00 pm.

**CLOSURE**

Cr L Butler declared the meeting closed at 6.03 pm.