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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 18<sup>th</sup> 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 14<sup>th</sup> August 2018 be confirmed as a true and correct record of that meeting.

<b>Officer Recommendation – Item 18091.6</b>
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<b>That Council accepts the Minutes from the Finance Committee Meeting of the 14<sup>th</sup> August 2018 as a true and correct record of that Meeting.</b>
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<b>Committee Resolution – Item 18091.6</b>
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<b>Moved: Cr Smith</b>
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<b>Seconded: Cr Hirsch</b>
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<b>That Council accepts the Minutes from the Finance Committee Meeting of the 14<sup>th</sup> August 2018 as a true and correct record of that Meeting.</b>
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<b>Carried: 3/0</b>
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**18092 FINANCE & ADMINISTRATION****18092.1 FINANCIAL STATEMENTS – AUGUST 2018**

<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>ALLY BRYANT - SFO</b>
<b>RESPONSIBLE OFFICER:</b>	<b>STEPHEN TINDALE – A/CEO</b>
<b>REPORT DATE:</b>	<b>18<sup>TH</sup> SEPTMEBER 2018</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 31<sup>st</sup> August 2018.

**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 31<sup>st</sup> July 2018.

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 –

- 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**

<b>Officers Recommendation – Item 18092.1</b>
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That Council, in accordance with Regulation 34 of the Local Government (Financial Management) Regulations 1996, accepts the Financial Activity Statement Report for the period ending 31 <sup>st</sup> August 2018.
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<b>Committee Resolution – Item 18092.1</b>
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<b>Moved: Cr Hirsch</b>
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<b>Seconded: Cr Smith</b>
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<b>That Council, in accordance with Regulation 34 of the Local Government (Financial Management) Regulations 1996, accepts the Financial Activity Statement Report for the period ending 31<sup>st</sup> August 2018.</b>
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<b>Carried: 3/0</b>
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**18092.2 ACCOUNTS FOR PAYMENT – AUGUST 2018**

<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>ALLY BRYANT - SFO</b>
<b>REPORT DATE:</b>	<b>18<sup>TH</sup> SEPTEMBER 2018</b>
<b>ATTACHMENTS</b>	<b>ACCOUNTS FOR PAYMENT</b>

**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 —

(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 18092.2**

That Council, pursuant to Regulation 13 of the Local Government (Financial Management) Regulations 1996 (as amended), confirms the accounts paid for the month ending 31<sup>st</sup> August 2018 as attached to and forming part of this report.

<b>Municipal Account</b>	
EFT	\$737,967.03
Direct Debits	\$46,613.67
Cheques	\$21,363.11
Corporate MasterCard	\$1,464.40
Bank Fees	\$239.75
<b>Total</b>	<b>\$807,647.96</b>

Trust Account - Shire	
EFT	\$550.00
Cheques	\$623.20
Bank Fees	\$
<b>Total</b>	<b>\$ 1,173.20</b>

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

*Totalling \$808,821.16 from Municipal and Trust Accounts for the month ending 31<sup>st</sup> 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 31<sup>st</sup> August 2018 as attached to and forming part of this report.**

**Carried: 3/0**

Municipal Account	
EFT	\$737,967.03
Direct Debits	\$46,613.67
Cheques	\$21,363.11
Corporate MasterCard	\$1,464.40
Bank Fees	\$239.75



<b>Total</b>	<b>\$807,647.96</b>
<b>Trust Account - Shire</b>	
EFT	\$550.00
Cheques	\$623.20
Bank Fees	\$
<b>Total</b>	<b>\$ 1,173.20</b>
<b>Trust Account – Mt Gibson Public Benefit Funds</b>	
EFT	\$
Cheques	\$
Bank Fees	\$
<b>Total</b>	<b>\$</b>
<i>Totalling \$808,821.16 from Municipal and Trust Accounts for the month ending 31<sup>st</sup> August 2018.</i>	

<b>18092.3 BANK SIGNATORIES</b>
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**APPLICANT:** SHIRE OF PERENJORI  
**FILE:** NIL  
**DISCLOSURE OF INTEREST:** NIL  
**AUTHOR:** STEPHEN TINDALE – A/CEO  
**RESPONSIBLE OFFICER:** STEPHEN TINDALE – A/CEO  
**REPORT DATE:** 18<sup>TH</sup> 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**

Risk Statement	Level of Risk	Risk Mitigation Strategy
Don't have sufficient choices in signatories to accommodate people being away.	Medium(Likelihood: likely, Consequence: Moderate)	Ensure signatories are changed asap to accommodate changes in staffing.

#### **Consultation**

BankWest

#### **Comment**

Nil

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

**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 16<sup>th</sup> October 2018 commencing at 5.00 pm.

**CLOSURE**

Cr L Butler declared the meeting closed at 6.03 pm.