



SHIRE OF
MOUNT MAGNET

AGENDA

FINANCE & AUDIT COMMITTEE MEETING

8 JUNE 2012





SHIRE OF
MOUNT MAGNET

AGENDA

**FINANCE & AUDIT
COMMITTEE MEETING**

8 JUNE 2012

NOTICE OF MEETING

Dear Elected Member

The next Finance and Audit Committee Meeting of the Shire of Mount Magnet will be held on Saturday 8 June 2012 in Council Chambers at 3:00pm.

A handwritten signature in black ink that reads "G. Brooks".

Geoff Brooks
CHIEF EXECUTIVE OFFICER
1 June 2012

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Mount Magnet for Any act, omission, statement or intimation occurring during this meeting.

It is strongly advised that persons do not act on what is heard at this meeting and should only rely on written confirmation of Council's decision, which will be provided within fourteen (14) days of this meeting.

SHIRE OF MOUNT MAGNET
Agenda for the Finance and Audit Committee Meeting
In Council Chambers, Lot 163 Hepburn Street, Mount Magnet
8 June 2012 at 3:00pm

TABLE OF CONTENTS

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS.....	4
2. RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE.....	4
3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE.....	4
4. PUBLIC QUESTION TIME AND ADDRESS BY MEMBERS OF THE PUBLIC	4
4.1 Public Question Time.....	4
4.2 Address by Members of the Public.....	4
5. APPLICATIONS FOR LEAVE OF ABSENCE	4
6. DEPUTATIONS / PRESENTATIONS / SUBMISSIONS.....	4
7. CONFIRMATION OF MINUTES OF PREVIOUS MEETING	4
7.1 Minutes of the Finance Committee Meeting held on 13 April 2012.....	4
8. ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION.....	5
9. PETITIONS.....	5
10. DECLARATIONS OF INTEREST.....	5
11. BUSINESS DEFERRED FROM PREVIOUS MEETING	5
12. REPORTS	6
12.1 Integrated Planning and Reporting.....	6
12.2 2011/2012 Budget Review	7
13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN.....	10
14. NOTICE OF MOTIONS FOR THE NEXT MEETING.....	10
15. CONFIDENTIAL BUSINESS.....	10
16. LATE AGENDA ITEMS.....	10
17. ELECTED MEMBER MATTERS.....	10
18. NEXT MEETING.....	10
19. CLOSURE OF MEETING	10

SHIRE OF MOUNT MAGNET
Agenda for the Finance and Audit Committee Meeting
In Council Chambers, Lot 163 Hepburn Street, Mount Magnet
12 May 2012 at 3:00pm

1. **DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**

2. **RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE**

3. **RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

4. **PUBLIC QUESTION TIME AND ADDRESS BY MEMBERS OF THE PUBLIC**

4.1 Public Question Time

4.2 Address by Members of the Public

5. **APPLICATIONS FOR LEAVE OF ABSENCE**

6. **DEPUTATIONS / PRESENTATIONS / SUBMISSIONS**

7. **CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

7.1 Minutes of the Finance Committee Meeting held on 12 May 2012

OFFICER RECOMMENDATION

Moved:

Seconded:

That the minutes of the Finance Committee Meeting held on 12 May 2012 as circulated be confirmed as a true and correct record of proceedings.

CARRIED/LOST

8. ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

9. PETITIONS

10. DECLARATIONS OF INTEREST

11. BUSINESS DEFERRED FROM PREVIOUS MEETING

12. REPORTS

12.1 Integrated Planning and Reporting

File:	AD-IPR
Officer:	Geoff Brooks - CEO
Amended by:	Nil
Disclosure of Interest:	Nil
Meeting Date:	8 June 2012

Application

To consider and discuss the draft Shire of Mount Magnet 2012 - 2016 Budget and Corporate Business Plan.

Background

The Draft Four Year Budget and Corporate Business Plan have been provided to Elected Members under separate cover.

Prior to finalisation of the Corporate Business Plan further consideration of the following matters is recommended:

- Grant Writing and Administration Services proposals.
- Updated plant replacement program.
- 2012/2013 Individual Council CLGF Projects.
- 2012/2013 Regional CLGF Projects.

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION

Moved:

Seconded:

That Council considers the draft 2012 – 2016 Budget and Corporate Business Plan.

CARRIED/LOST

12.2 2011/2012 Budget Review

File: FI-BUGT
Officer: Geoff Brooks - CEO
Amended by: Nil
Disclosure of Interest: Nil
Meeting Date: 8 June 2012

Application

To note the response to the letter from the Department of Local Government received 5 April 2012 seeking clarification of issues related to the 2011/2012 Budget Review.

Background

The letter from the Department of Local Government received 11 April 2012 is attached for information.

Comment

This letter was referred to Midwest Financial Services for advice. Council's response is attached for information.

Consultation

Mr Jim Dillon – Midwest Financial Services

Statutory Environment

Local Government Financial Management Regulations 1996 – Regulation 33A

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

Nil

Voting Requirements

Simple Majority

OFFICER RECOMMENDATION

Moved:

Seconded:

That Council's response to the letter from the Department of Local Government received 11 April 2012 is noted.

CARRIED/LOST



Government of **Western Australia**
Department of **Local Government**

Our Ref: MA3-5#04 (E1208522)

IFM 121842

Mr Geoff Brooks
Chief Executive Officer
Shire of Mount Magnet
PO Box 62
MOUNT MAGNET WA 6638

RECEIVED	DOED	SFO
FILE REF	SFO	CP
	FA	SP
	PP	LIB
FE BUGT	CSO	BC
RECORDS NO	CDG	TC
	EHO	

ALSO
FI-AUDIT

Dear Mr Brooks

The Department has examined the Shire's 2011/2012 Budget Review and compliments you on a comprehensive document to present to Council and ratepayers. However, the Department would like to make the following comment.

The brought forward figure declared in the Shire's Annual Budget for 2011/2012 was estimated to be \$799,653 and the audited Annual Financial Statements for 2010/2011 shows this figure to be \$577,348, a variance of \$222,305. The Shire's Budget Review does not appear to have addressed this variance when adopting an estimated surplus of \$494,159.

The figure used in the Shire's Budget Review Statement as Opening Funds under Current Budget is \$318,519 and the figure used as Opening Funds under the year to date Actual, year to date Budget and Projected Actual is \$733,285.

The Shire's Budget Review does not appear to contain a note on how the above opening funds are derived.

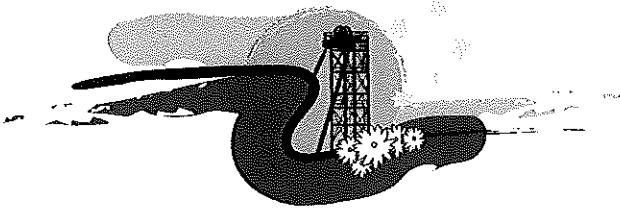
Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires the budget review to cover the period beginning 1 July and ending no later than 31 December in that financial year. Even if a previous budget review has been undertaken, the statutory budget review must include the period from 1 July. This may explain the issues identified above.

The Department requests you review the above issues and provide an explanation to the Department within 30 days of the receipt of this letter.

Yours sincerely

Jenni Law
MANAGER ADVICE AND SUPPORT

5 April 2012



SHIRE OF
MOUNT MAGNET

21 May 2012

REF: FI-BUGT

Department of Local Government
Manager Advice and Support - Ms Jenni Law
GPO Box R1250
PERTH WA 6844

Dear Ms Law

RE: SHIRE OF MOUNT MAGNET 2011/2012 BUDGET REVIEW

Thank you for your letter of 5 April 2012 on the above matter. Following consultation with Council's financial advisor our response is as follows:

- The 2011/2012 budget was adopted in July 2011 and at that time the 30 June 2011 actual estimated surplus was \$799,653. The 2010/2011 audited financial statements were adopted by Council in December 2011 with an estimated surplus of \$577,348. The difference of \$222,305 is one of timing.
- In the budget review document the opening fund current budget balance of \$318,519 is a figure taken in error from an internal document used during the preparation of the 2011/2012 budget. The figure should have been \$577,348, the brought forward amount referred to in the 2010/2011 audited financial statements, thus giving a closing fund current budget surplus of \$596,264.

Please note that this matter has been brought to the attention of Council's Finance and Audit Committee.

I would be pleased to discuss this matter further should there be a requirement to do so.

Yours sincerely

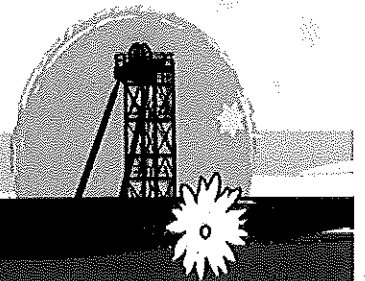
Geoff Brooks
CHIEF EXECUTIVE OFFICER

Lot 163, Hepburn Street, PO Box 62, Mount Magnet. WA 6638

Ph: (08) 9963 3000 Fax: (08) 9963 4133 ABN: 14 556 214 295

Email: shire@mtmagnet.wa.gov.au Website: www.mtmagnet.wa.gov.au

Please address all mail to the Chief Executive Officer



13. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

14. NOTICE OF MOTIONS FOR THE NEXT MEETING

15. CONFIDENTIAL BUSINESS

16. LATE AGENDA ITEMS

16.1 Management Letter – Interim Audit – Received 1 June 2012
--

17. ELECTED MEMBER MATTERS

18. NEXT MEETING

19. CLOSURE OF MEETING