



AGENDA FOR THE
ORDINARY COUNCIL MEETING
TO BE HELD ON
WEDNESDAY
20TH JUNE 2012



WILDFLOWER COUNTRY

SHIRE OF MINGENEW
ORDINARY COUNCIL MEETING NOTICE PAPER
20 JUNE 2012

Madam President and Councillors,

An ordinary meeting of Council is called for **Wednesday, 20th June 2012**, in the Council Chambers, Victoria Street, Mingenew, commencing at **2:30pm**.

Mike Sully
Chief Executive Officer
20 June 2012

MINGENEW SHIRE COUNCIL

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Mingenew Shire Council for any act, omission or statement or intimation occurring during Council/Committee meetings or during formal/informal conversations with staff. The Mingenew Shire Council disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement occurring during Council/Committee meetings or discussions. Any person or legal entity that acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of Mingenew Shire Council during the course of any meeting is not intended to be and is not taken as notice of approval from the Mingenew Shire Council. The Mingenew Shire Council warns that anyone who has an application lodged with the Mingenew Shire Council must obtain and only should rely on **WRITTEN CONFIRMATION** of the outcome of the application, and any conditions attaching to the decision made by the Mingenew Shire Council in respect of the application.

CHIEF EXECUTIVE OFFICER

20 June 2012

SHIRE OF MINGENEW

AGENDA FOR ORDINARY MEETING OF COUNCIL TO BE HELD IN COUNCIL CHAMBERS ON 20TH JUNE 2012 COMMENCING AT 2:30PM.

- 1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**
- 2 RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE**
- 3 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**
- 4 PUBLIC QUESTION TIME / PETITIONS / DEPUTATIONS / PRESENTATIONS / SUBMISSIONS**
- 5 APPLICATIONS FOR LEAVE OF ABSENCE**
- 6 DECLARATIONS OF INTEREST**
- 7 CONFIRMATION OF PREVIOUS MEETINGS MINUTES**

That the Minutes of the Ordinary Meeting of Council held Wednesday 16th May 2012 be confirmed as a true and accurate record of proceedings.

- 8 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION**
- 9 OFFICERS REPORTS**
 - 9.1 HEALTH, BUILDING AND TOWN**
NIL
 - 9.2 WORKS AND SERVICES**
NIL
 - 9.3 CHIEF EXECUTIVE OFFICER**
 - 9.3.1 CHIEF EXECUTIVE OFFICER – REQUEST FOR ANNUAL LEAVE
 - 9.3.2 ELECTED MEMBERS – MEETING FEES And ALLOWANCES
 - 9.3.3 MINGENEW RODEO – REQUEST FOR SUPPORT
 - 9.4 EMERGENCY SERVICES**
NIL
 - 9.5 COMMUNITY DEVELOPMENT**
NIL

9.6 FINANCE

9.6.1 FINANCIAL STATEMENTS FOR MONTH ENDING 31 MAY, 2012

9.6.2 2012 FINANCIAL MANAGEMENT REVIEW

9.6.3 WRITE OFF OF DEBTOR AMOUNT

9.6.4 RETENTION OF ADMINISTRATION STAFF DAYS IN LIEU

9.6.5 USE OF COMMON SEAL

9.6.6 ACCOUNTS FOR PAYMENT – June, 2012

9.3 CHIEF EXECUTIVE OFFICER

9.3.1 Chief Executive Officer – Request for Annual Leave

Agenda Reference: CEO 06/12-01
Location/Address: Shire Of Mingenew
Name of Applicant: Chief Executive Officer
File Reference: N/A
Disclosure of Interest: The CEO has a financial interest in this item
Date: 1 June 2012
Author: Mike Sully

Signature of Author: _____

SUMMARY

This report requests that Council approve two weeks annual leave for the Chief Executive Officer from Monday 27 August 2012 to Friday 7 September 2012.

ATTACHMENT

Nil.

BACKGROUND

The Employment Contract between Council and the Chief Executive Officer requires that Council endorse applications for annual leave for the Chief Executive Officer.

COMMENT

To avoid extended periods of absence by the CEO, while taking annual leave, it is good practice for the CEO to take annual leave in several shorter periods each year. The Manager of Finance and Administration, Cameron Watson, will be acting as Chief Executive Officer while the CEO is on leave, if approved.

CONSULTATION

Shire President	Michelle Bagley
Manager, Finance and Administration	Cameron Watson

STATUTORY ENVIRONMENT

The Chief Executive Officer is entitled to leave, including Pro Rata leave, in accordance with the employment contract with Council.

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

Nil.

STRATEGIC IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority

CEO's RECOMMENDATION – ITEM 9.3.1

That Council endorse the CEO's application for annual leave from 27 August 2012 to 7 September 2012 and appoint Cameron Watson as Acting CEO for that period.



DECLARATION OF FINANCIAL INTEREST FORM

COUNCIL MEETING DATE: 20/6/12


COUNCILLOR / OFFICER NAME: MIKE SULLY

ITEM IN WHICH INTEREST IS HELD: _____

DESCRIPTION OF FINANCIAL INTEREST (FINANCIAL / PROXIMITY / OTHER): _____
ITEM REGARDING ANNUAL LEAVE FOR CEO

ACTION TAKEN: OFFER TO LEAVE COUNCIL CHAMBER
WHILE ITEM BEING PRESENTED TO COUNCIL

OTHER COMMENTS: _____

SIGNED: 
COUNCILLOR'S NAME: MIKE SULLY

9.3.1 ELECTED MEMBERS – MEETING FEES and ALLOWANCES

Agenda Reference: CEO 06/12-02
Location/Address: Shire Of Mingenew
Name of Applicant: CEO
File Reference: N/A
Disclosure of Interest: Nil
Date: 5 June 2012
Author: Mike Sully

Signature of Author: _____

SUMMARY

This report recommends the method of payment and amounts payable for meeting fees and allowances to be paid to Elected Members for the 2012/2013 financial year.

ATTACHMENT

Nil.

BACKGROUND

The Local Government Act 1995 requires that Council determine the fees and allowances payable to Elected Members each year. Currently meeting fees are based on payment for each meeting attended by Elected Members and at the May 2012 Ordinary Council Meeting the following amounts were listed for consideration in the 2012/2013 draft budget.

CURRENT METHOD OF DETERMINING PAYMENT OF FEES and ALLOWANCES FOR ELECTED MEMBERS

MEETING FEES and ALLOWANCES (Council’s 2012/2013 draft budget)

Shire President

President’s Allowance	\$7,000.00 per annum
Ordinary and Special Council Meetings	\$ 240.00 per meeting
All other meetings	\$ 60.00 “
Travel allowance	\$ 1.00 per Kilometre

Deputy Shire President

Deputy President’s Allowance	\$1,750.00 per annum
Ordinary and Special Council Meetings	\$ 120.00 per meeting
All other meetings	\$ 60.00 per meeting
Travel allowance	\$ 1.00 per Kilometre

Councillors

Ordinary and Special Council Meetings	\$ 120.00 per meeting
All other meetings	\$ 60.00 “
Travel allowance	\$ 1.00 per Kilometre

COMMENT

Meeting fees and allowances payable to Elected Members in accordance with the Local Government Act 1995 are either entitlements or discretionary. The definitions of these terms are:

ENTITLEMENTS

Entitlements are fees and allowances that an Elected Member must receive should he/she request to receive them. Generally, Council may determine the amounts to be paid within the minimum and maximum parameters specified by legislation. Examples are; Elected Members’ attendance fees for Ordinary and Special Council meetings and Elected Members attendance fees for all other meetings that have been approved by Council.

- The Shire President is entitled to a meeting attendance fee based on a per meeting basis that may range from \$120 to \$280 for Ordinary and Special meetings of Council, and \$30 to \$70 for all other Council approved meetings. However, the total amount paid for meeting fees must not exceed \$14,000 per year.
An alternative method of payment of meeting fees to the Shire President is based on Council determining an annual flat rate meeting attendance fee that may range from \$6,000 to \$14,000.
- Councillors are also entitled to a meeting attendance fee based on a per meeting basis that may range from \$60 to \$140 for Ordinary and Special meetings of Council, and \$30 to \$70 for all other Council approved meetings. However, the total amount paid for meeting fees must not exceed \$7,000 per year.
An alternative method of payment of meeting fees to Councillors is based on Council determining an annual flat rate meeting attendance fee that may range from \$2,400 to \$7,000.
- Elected Members are entitled to claim a travelling allowance to recoup personal travel costs associated with their involvement in Council related activities.

DISCRETIONARY

Discretionary allowances are those that Council has a right to determine if they will be paid, and if so, the amount to be paid. Examples are; Council may choose to pay an allowance to the Shire President in recognition of the additional duties undertaken as a part of the role of Shire President. The allowance may range from \$6000 to \$14,000 per year.

Council may also choose to pay an annual allowance to the Deputy Shire President in recognition of the additional duties undertaken as a part of the role of Deputy Shire President. The allowance must not exceed 25% of the amount paid to the Shire President.

Currently Council determines the payment of meeting fees to Elected Members on a per-meeting attendance basis. An alternative method of payment of meeting fees to Elected Members is based on Council determining an annual flat rate meeting attendance fee that may range from \$6,000 to \$14,000. Allowances are generally paid quarterly.

It should be noted that payments for an annual flat rate meeting fee made to Elected Members are not automatically reduced if an Elected Member does not attend any particular meeting during the year. However, Elected Members may choose to voluntarily request a reduction in the amount of a quarterly payment, depending on the number of meetings that may have been missed.

The annual flat rate meeting fee is preferred by many Elected Members as the fee may take into account the value of work undertaken by Elected Members, on behalf of Council, while not at meetings. It is also preferred by Council's finance and administration staff as it reduces the amount of administration needed to manage the fee payment.

In considering the implementation of an annual flat rate meeting fees and allowances the following rates are provided as an example of reasonable fees for the 2012/2013 financial year:

MEETING FEES and ALLOWANCES (Council's 2012/2013 draft budget)

Shire President

President's Allowance	\$7,000 per annum
Meeting Allowance	\$6,000 per annum
Travel Allowance	\$ 1.00 per Kilometre

Deputy Shire President

Deputy President's Allowance	\$1,750 per annum
Meeting Allowance	\$4,000 per annum
Travel allowance	\$ 1.00 per Kilometre

Councillors

Meeting Allowance	\$3,500 per annum
Travel allowance	\$ 1.00 per Kilometre

CONSULTATION

Nil.

STATUTORY ENVIRONMENT

Relevant sections of the Local Government Act 1995:

- S.6.2 requires that each year a local Government prepare and adopt an annual budget.
- S.5.98-99 sets out the provision for allowances and fees to be paid.

Relevant Sections of the Local Government (Administration) Regulations 1996:

- Reg. 33 specifies that the maximum annual allowance for a President is \$14,000, and specifies that the maximum annual allowance for a Deputy President is 25% of the President's allowance.
- Reg. 34 specifies that the minimum attendance fee for Elected Members is \$2,400 and the maximum is \$7,000. The minimum attendance fee for a President is \$6,000 and the maximum fee is \$14,000.

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

Fees and allowances as endorsed by Council will be included in the 2012/2013 draft budget. By utilising the annual flat rate method of determining Elected Member fees and allowances it will be possible for a more accurate amount to be accounted for in the 2012/2013 budget.

STRATEGIC IMPLICATIONS

Nil.

VOTING REQUIREMENTS

Simple Majority

CEO's RECOMMENDATION – ITEM 9.3.1

That Council:

Approve the use of an annual flat fee rate to determine the meeting allowance for Elected Members.

Endorse the following allowances and fees for Elected Members: for the 2012/2013 draft budget.

MEETING FEES and ALLOWANCES (Council's 2012/2013 draft budget)

Shire President

President's Allowance	\$7,000 per annum
Meeting Allowance	\$6,000 per annum
Travel Allowance	\$ 1.00 per Kilometre

Deputy Shire President

Deputy President's Allowance	\$1,750 per annum
Meeting Allowance	\$4,000 per annum
Travel allowance	\$ 1.00 per Kilometre

Councillors

Meeting Allowance	\$3,500 per annum
Travel allowance	\$ 1.00 per Kilometre

9.3.3 MINGENEW RODEO – REQUEST FOR SUPPORT

Agenda Reference: CEO 06/12-03
Location/Address: Shire of Mingenew
Name of Applicant: Mingenew Rodeo Inc.
File Reference: N/A
Disclosure of Interest: Nil
Date: 1 June 2012
Author: Mike Sully

Signature of Author: _____

SUMMARY

Mingenew Rodeo Inc. has written to Council requesting that Council consider supporting the 2012 Mingenew Rodeo with either a \$5,000 cash sponsorship or the provision of in-kind assistance.

ATTACHMENT

Copy of letter from Mingenew Rodeo Inc.

BACKGROUND

Following a successful 2011 rodeo, Mingenew Rodeo Inc. (MRI) is planning to hold a rodeo on Saturday 6 October 2012 at a location that is yet to be confirmed. MRI is seeking support from Council through either a \$5,000 cash sponsorship or the provision of in-kind assistance.

COMMENT

The benefits to sponsors for various levels of cash sponsorship are outlined in the letter from MRI. However, it is recommended that if Council wishes to support a rodeo event in Mingenew, then the provision of in-kind support would be more appropriate. The letter from MRI indicates that assistance is needed to set up and pack down the event grounds; including:

Temporary fencing/bunting and bullring set up/removal

Moving ticket boxes, bar stands and tier seating to and from grounds.

CONSULTATION

Kym McGlinn Event Manager

STATUTORY ENVIRONMENT

Nil.

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

Provision of in-kind assistance would incur an actual cost to Council. If Council agrees to provide in-kind support then an amount of up to \$2,000 should be included in the 2012/2013 draft budget.

STRATEGIC IMPLICATIONS

The Shire of Mingenew Strategic Community Plan 2011-2022, Objective 1 is:

“To be a diverse and Innovative economy with a range of local employment opportunities”

One of the strategies listed in the plan to help achieve the objective is Outcome 1.1.4:

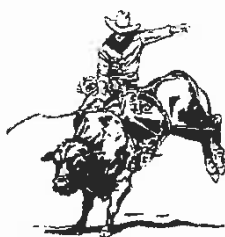
“Continue to support local events and encourage new events”

VOTING REQUIREMENTS

Simple Majority

CEO’s RECOMMENDATION – ITEM 9.3.3

That Council provide in-kind support to Mingenew Rodeo Inc. and include an amount of \$2,000 in the 2012/2013 draft budget.



Mingenew Rodeo Inc.

ABN: 25 723 925 223

PO BOX 105, MINGENEW WA 6522

mingenewrodeo@bigpond.com

Event/Bar 0437 510 141

Livestock/Competitors 0408 812 971

www.mingenewrodeo.bounce.com.au

Shire of MingeneW
Mike Sully
Chief Executive Officer
PO BOX 120
MINGENEW WA 6522

31 May 2012

RE: MINGENEW RODEO 2012 NOTIFICATION & SPONSORSHIP

Dear Mike,

This letter is to notify the Shire of MingeneW our intent to host a Rodeo and a Request for sponsorship.

THE EVENT

The MingeneW Rodeo Committee will host a Rodeo in MingeneW on Saturday 6th October 2012.

To-date we are in negotiation with the Irwin Polocrosse Club and a private land holder as to the venue for the event. We will endeavour to notify the Shire once plans are confirmed.

SPONSORSHIP

The Rodeo Committee would like to invite the Shire of MingeneW to sponsor the Rodeo event for 2012 for either or both of the following:

IN-KIND

Assistance with labour to Set up & Pack down the Event grounds this may include, but is not limited to; temporary fencing/bunting, Bull ring set up/removal, moving of ticket boxes, bar stands & tier seating to & from grounds etc.

MONETARY CONTRIBUTION

A cash sponsorship of \$5,000.

Please see attached Sponsorship document which outlines the benefits to Sponsorship.

The Rodeo Committee would like to advise that we have secured a Grant through the Regional Events Scheme which will assist us in providing named performers (James Blundell & the Sunny Cowgirls) at the event to attract a larger crowd than the 2011 event.

This is the MingeneW Shire's opportunity to be part of a media presence for MingeneW on the tail end of the Wild Flower season and to be associated with this prestigious event.

With Thanks to our 2011 Sponsors: *Coates Hire, Geraldton Fuel Co., Nordic Builders Pty Ltd, Desert Enterprises Aust. , Torro Energy, Ferrowest Limited, Hon. Mia Davies, Hon Grant Woodhams, MingeneW Commercial Hotel, Starick Tyres, MingeneW Spring Caravan Park, Community Road Safety Grants, Landmark MingeneW, Holmwood Farms, Undaminda Fencing & Spraying*



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ABN: 25 723 925 223

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Event/Bar 0437 510 141

Livestock/Competitors 0408 812 971

www.mingenewrodeo.bounce.com.au

This year we have also opened up the event to Exhibitors. Information & application forms to exhibit can be found on the Rodeo Website www.mingenewrodeo.com.au

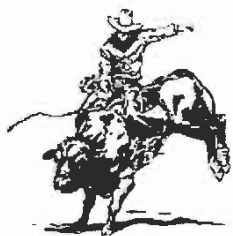
We look forward to your response and working with the Shire to promote this event and the Town of MingeneW.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Kym McGlenn', with a long horizontal flourish extending to the right.

Kym McGlenn
Event Manager

With Thanks to our 2011 Sponsors: *Coates Hire, Geraldton Fuel Co., Nordic Builders Pty Ltd, Desert Enterprises Aust. , Torro Energy, Ferrowest Limited, Hon. Mia Davies, Hon Grant Woodhams, MingeneW Commercial Hotel, Starick Tyres, MingeneW Spring Caravan Park, Community Road Safety Grants, Landmark MingeneW, Holmwood Farms, Undaminda Fencing & Spraying*



Mingenew Rodeo Inc.

ABN: 25 723 925 223

PO BOX 105, MINGENEW WA 6522

mingenewrodeo@bigpond.com

Event/Bar 0437 510 141

Livestock/Competitors 0408 812 971

www.mingenewrodeo.bounce.com.au

Categories for sponsorship

- ✓ Open Men's Bull Riding
- ✓ Open Men's Saddle Bronc
- ✓ Open Men's Bareback
- ✓ Bull Chutes (6 Available)
- ✓ Evening Band
- ✓ Event Security
- ✓ Open Ladies Barrel race
- ✓ Ladies Steer Undecorating
- ✓ Ladies Breakaway
- ✓ Open Men's Steer Wrestling
- ✓ Open Men's Calf Rope & Tie
- ✓ Open Team Roping 1
- ✓ Open Team Roping 2
- ✓ Novice Bull Ride 1
- ✓ Novice Bull Ride 2
- ✓ Clowns (2)
- ✓ Pick Up Men (2)
- ✓ Rookie Ride
- ✓ Local Competitors
- ✓ Junior Barrel Race (U 18's)
- ✓ Juvenile St Wrest & Poddy ride
- ✓ Mutton Busters (sheep back)

Main Events are:

- Open Men's Bull Riding
- Open Men's Saddle Bronc
- Open Men's Bareback

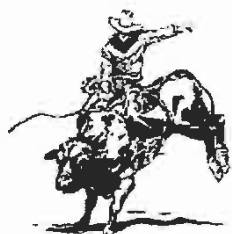
Prize Money in each category is split 3 ways between 1st, 2nd & 3rd competitor placing

"Bull Chutes" – are the main gates for the bull pens where the mounted Bull & Bronc Riders are released from. These are prime locations for banner placements and receive a lot of publicity / line of site viewing for photographers & general public

"Clowns & Pick Up Men" – their job is to distract the bull/horse once the rider has been thrown, pick up/return rider to safety and encourage the bull/horse back into the yard race.

As a sponsor, you can choose to
sponsor WHOLE or part of the
above categories

With Thanks to our 2011 Sponsors: *Coates Hire, Geraldton Fuel Co., Irwin Polocrosse Club, Nordic Builders Pty Ltd, Desert Enterprises Aust. , Torro Energy, Ferrowest Limited, Hon. Mia Davies, Hon Grant Woodhams, Mingene Commercial Hotel, Starick Tyres, Mingene Spring Caravan Park, Community Road Safety Grants, Landmark Mingene, Holmwood Farms, Undaminda Fencing & Spraying*



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ABN: 25 723 925 223

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Event/Bar 0437 510 141

Livestock/Competitors 0408 812 971

www.mingenewrodeo.bounce.com.au

Diamond Sponsorship - \$15,000 + GST

- **Naming Rights** to one main event category (Bull ride, Bareback Bronc or Saddle Bronc) and one Bull chute
- **Permission to use the name "Diamond Sponsor"** in association with the event
- **Name and/or logo** on all printed advertising related to the event (ABCRA Magazine, Geraldton Guardian, Countryman, Midwest Times, 30+ local town newsletters/flyers)
- **Name and logo** on TV advertisements
- **Acknowledgement of sponsorship on radio Advertising**
- **Name and/or logo** on all **outgoing correspondence** relating to the Rodeo
- **Name and logo on Event program**
- **Acknowledgements of sponsorship at the event through PA Announcements** by the MC
- **Banners/signage x 3** (one off main road entry , one located near the main visitor gate and one around the Rodeo Arena, supplied by the sponsor)
- **12 gate entry tickets**

Gold Sponsorship - \$4,000 / \$5,000 + GST

- **Permission to use the name "Gold Sponsor"** in association with the event
- **Name and/or logo** on all printed advertising related to the event (Geraldton Guardian, Countryman, Midwest Times, 30+ local town newsletters/flyers, ABCRA)
- **Name and/or logo** on all **outgoing correspondence** relating to the Rodeo
- **Name and logo** on **Event program**
- **Acknowledgements of sponsorship at the event through PA Announcements** by the MC

- **Banners/signage x 2** (located around the Rodeo Arena only, supplied by the sponsor)
- **5 gate entry tickets**

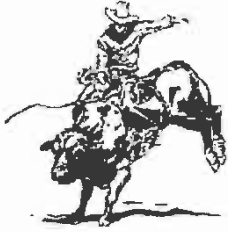
Silver Sponsorship - \$3000 / \$2000 + GST

- **Sponsorship for one of the following category events** (Junior Barrel Race, Juvenile Steer Wrestling, poddy rides,)
- **Name and/or logo** on all printed advertising related to the event (Geraldton Guardian, Countryman, Midwest Times, 30+ local town newsletters/flyers)
- **Name and/or logo** on all **outgoing correspondence** relating to the Rodeo
- **Name on Event program**
- **Acknowledgements of sponsorship at the event through PA Announcements** by the MC
- **Banners/signage x 1** (one located around the Rodeo Arena, supplied by the sponsor)
- **Opportunity to present award for sponsored categories**
- **3 gate entry tickets**

Trade Sponsorship - CASH Up to \$1,500 +GST OR In-kind merchandise or services to the value of \$1,500+

- **Name and/or logo** on all **outgoing correspondence** relating to the Rodeo
- **Name on Event program**
- **Acknowledgements of sponsorship at the event through PA Announcements** by the MC
- **Banners/signage x 1** (one located around the Rodeo Arena, supplied by the sponsor)
- **Opportunity to present award for sponsored categories**
- **2 gate entry tickets.**

With Thanks to our 2011 Sponsors: *Coates Hire, Geraldton Fuel Co., Irwin Polocrosse Club, Nordic Builders Pty Ltd, Desert Enterprises Aust. , Torro Energy, Ferrowest Limited, Hon. Mia Davies, Hon Grant Woodhams, Mingenev Commercial Hotel, Starick Tyres, Mingenev Spring Caravan Park, Community Road Safety Grants, Landmark Mingenev, Holmwood Farms, Undaminda Fencing & Spraying*



Mingenew Rodeo Inc.

ABN: 25 723 925 223

PO BOX 105, MINGENEW WA 6522

mingenewrodeo@bigpond.com

Event/Bar 0437 510 141

Livestock/Competitors 0408 812 971

www.mingenewrodeo.bounce.com.au

Sponsorship Confirmation Form

To confirm your interest in sponsorship for the Mingeneew Rodeo, please complete the following details and **post to** PO BOX 105 MINGENEW WA 6522 or **email to** mingenewrodeo@bigpond.com or **fax to** 08 9928 1870

Date:

*Organisation Name:

* The company name written here will be referred to in all promotional material

Representative Name:

Position/Title:

Postal Address:

Suburb State Postcode.....

Telephone Fax Email.....

Address/contact for invoicing (if different from above)

.....

Please indicate your level of sponsorship

- Diamond
- Gold
- Silver
- Trade
- Other (attach details)

We are interested in sponsoring the following (category):

.....

.....

This form is a confirmation commitment of the above company to sponsor the event.
A formal contract will be drawn up for review by both parties to formalise the sponsorship.

Preferred Invoicing period: before 30th June 2012 OR after 1 July 2012

With Thanks to our 2011 Sponsors: *Coates Hire, Geraldton Fuel Co., Irwin Polocrosse Club, Nordic Builders Pty Ltd, Desert Enterprises Aust. , Torro Energy, Ferrowest Limited, Hon. Mia Davies, Hon Grant Woodhams, Mingeneew Commercial Hotel, Starick Tyres, Mingeneew Spring Caravan Park, Community Road Safety Grants, Landmark Mingeneew, Holmwood Farms, Undaminda Fencing & Spraying*

9.6 FINANCE

9.6.1 FINANCIAL STATEMENTS FOR MONTH ENDING 31 MAY, 2012

Agenda Reference: MFA 06/12-01
Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: N/A
Disclosure of Interest: Nil
Date: 13 June, 2012
Author: Cameron Watson – Manager Finance & Administration

Signature of Author: _____

SUMMARY

The Monthly Statement of Financial Activity report for the month ending 31 May, 2012 is presented to Council for adoption.

ATTACHMENT

Finance Report ending 31 May, 2012

BACKGROUND

Financial Regulations require a monthly statement of financial activity report to be presented to Council.

COMMENT

Council’s current operating surplus as at the 31 May, 2012 is \$1,072,475

SUMMARY OF FUNDS – SHIRE OF MINGENEW	
Municipal Account	\$53,223.77
Business Cash Maximiser (Municipal Funds)	\$833,919.24
Trust Account	\$70,854.91
Reserve Maximiser Account	\$321,314.74

Debtor’s accounts continue to be monitored with all efforts being made to ensure that monies are recovered. \$130,280.76 remains outstanding as at 31 May, 2012 with \$68,820.26 in current, \$25,143.66 outstanding for 30+ days, \$27,119.50 outstanding for 60+ days and \$9,197.34 outstanding for 90 days or more.

Rates Outstanding at 31 May, 2012 was \$13,660.03 current year and \$6,881.39 arrears, totalling \$20,541.42.

The total domestic and commercial refuse charges outstanding are \$1,937.51 as at 31 May, 2012.

The Statement of Financial Activities Report contains explanations of Councils adopted variances for the 2011 / 2012 financial year.

CONSULTATION

No consultation required

STATUTORY ENVIRONMENT

Local Government Act 1995 Section 6.4
Local Government (Financial Management) Regulations 1996 Section 34

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Financial implications are outlined in comments.

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION – ITEM

That Council adopts the Monthly Statement of Financial Activity for the month ending the 31 May, 2012.

SHIRE OF MINGENEW
STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

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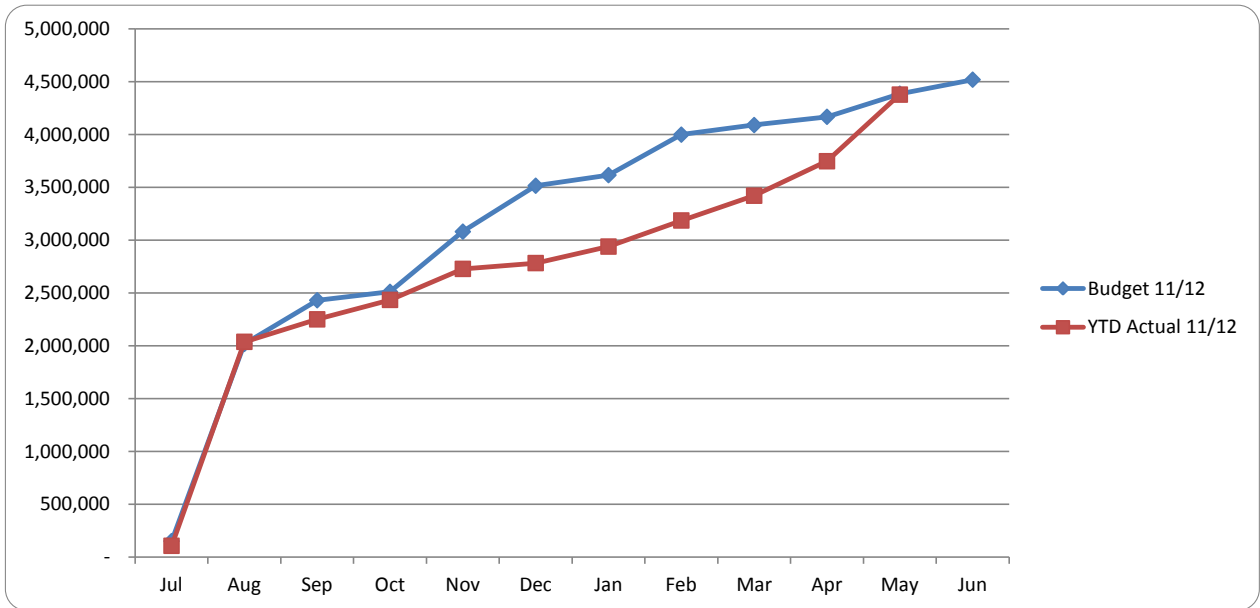
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

	NOTE	31/05/12 Y-T-D Actual \$	31/05/12 Y-T-D Budget \$	2011/2012 Total Budget \$	31/05/12 Y-T-D Variance \$	31/05/12 Y-T-D Variance %
REVENUES/SOURCES	1,2					
Governance		121,567	92,973	106,540	28,594	(31%)
General Purpose Funding		780,377	768,246	770,538	12,131	(2%)
Law, Order, Public Safety		25,894	25,419	25,535	475	(2%)
Health		1,069	25,946	26,040	(24,877)	96%
Education and Welfare		10,399	3,674	4,025	6,725	(183%)
Housing		73,797	62,535	68,229	11,262	(18%)
Community Amenities		124,367	163,821	164,150	(39,454)	24%
Recreation and Culture		64,628	75,184	121,740	(10,556)	14%
Transport		1,740,501	1,866,207	1,919,803	(125,706)	7%
Economic Services		14,324	8,107	8,900	6,217	(77%)
Other Property and Services		234,205	103,279	112,700	130,926	(127%)
		<u>3,191,128</u>	<u>3,195,391</u>	<u>3,328,200</u>	<u>4,263</u>	
(EXPENSES)/(APPLICATIONS)	1,2					
Governance		(366,924)	(448,972)	(456,560)	(82,048)	18%
General Purpose Funding		(29,673)	(40,997)	(44,749)	(11,324)	28%
Law, Order, Public Safety		(64,511)	(92,004)	(100,444)	(27,493)	30%
Health		(38,132)	(34,045)	(49,678)	4,087	(12%)
Education and Welfare		(22,341)	(39,385)	(42,316)	(17,044)	43%
Housing		(130,793)	(133,710)	(143,956)	(2,917)	2%
Community Amenities		(75,490)	(102,708)	(111,258)	(27,218)	27%
Recreation & Culture		(722,874)	(755,625)	(882,378)	(32,751)	4%
Transport		(1,850,919)	(1,757,017)	(1,212,838)	93,902	(5%)
Economic Services		(134,663)	(168,466)	(182,989)	(33,803)	20%
Other Property and Services		(117,302)	(92,412)	(92,884)	24,890	(27%)
		<u>(3,553,622)</u>	<u>(3,665,341)</u>	<u>(3,320,050)</u>	<u>(111,719)</u>	
Adjustments for Non-Cash (Revenue) and Expenditure						
(Profit)/Loss on Asset Disposals	4	36,466	25,612	25,612	10,854	(42%)
Movement in Accrued Interest		(16,410)	0	0	(16,410)	0%
Movement in Accrued Salaries & Wages		(15,097)	0	0	(15,097)	0%
Movement in Employee Benefit Provisions		0	0	0	0	0%
Depreciation on Assets		1,165,048	0	1,235,770	1,165,048	0%
Capital Expenditure and Income						
Purchase Land held for Resale	3	(42,457)	0	(45,000)	0	0%
Purchase Land and Buildings	3	(347,927)	(455,337)	(438,000)	(107,410)	24%
Purchase Furniture and Equipment	3	(42,647)	(32,500)	(63,500)	10,147	(31%)
Purchase Plant and Equipment	3	(625,952)	(732,400)	(875,600)	(106,448)	15%
Purchase Infrastructure Assets - Roads	3	(1,131,194)	(1,579,520)	(1,739,520)	(448,326)	28%
Purchase Infrastructure Assets - Footpaths	3	(7,121)	(20,000)	(20,000)	(12,879)	64%
Purchase Infrastructure Assets - Bridges	3	0	0	0	0	0%
Proceeds from Disposal of Assets	4	200,924	359,000	359,000	158,076	44%
Repayment of Debentures	5	(86,688)	(86,690)	(93,767)	(2)	0%
Proceeds from New Debentures	5	450,000	0	450,000	450,000	0%
Transfers to Reserves (Restricted Assets)	6	(17,699)	(2,398)	(14,385)	15,302	(638%)
Transfers from Reserves (Restricted Assets)	6	220,000	0	342,500	220,000	0%
ADD Net Current Assets July 1 B/Fwd	7	507,520	507,520	507,520	0	0%
LESS Net Current Assets Year to Date	7	<u>1,072,475</u>	<u>3,677,883</u>	<u>0</u>	<u>(2,605,408)</u>	<u>71%</u>
Amount Req'd to be Raised from Rates		<u>(1,188,203)</u>	<u>(1,191,220)</u>	<u>(1,221,220)</u>	<u>3,017</u>	<u>(0%)</u>
Rates per Note 8		1,188,203	1,191,220	1,191,220		
Variance		(0)	0	(30,000)		

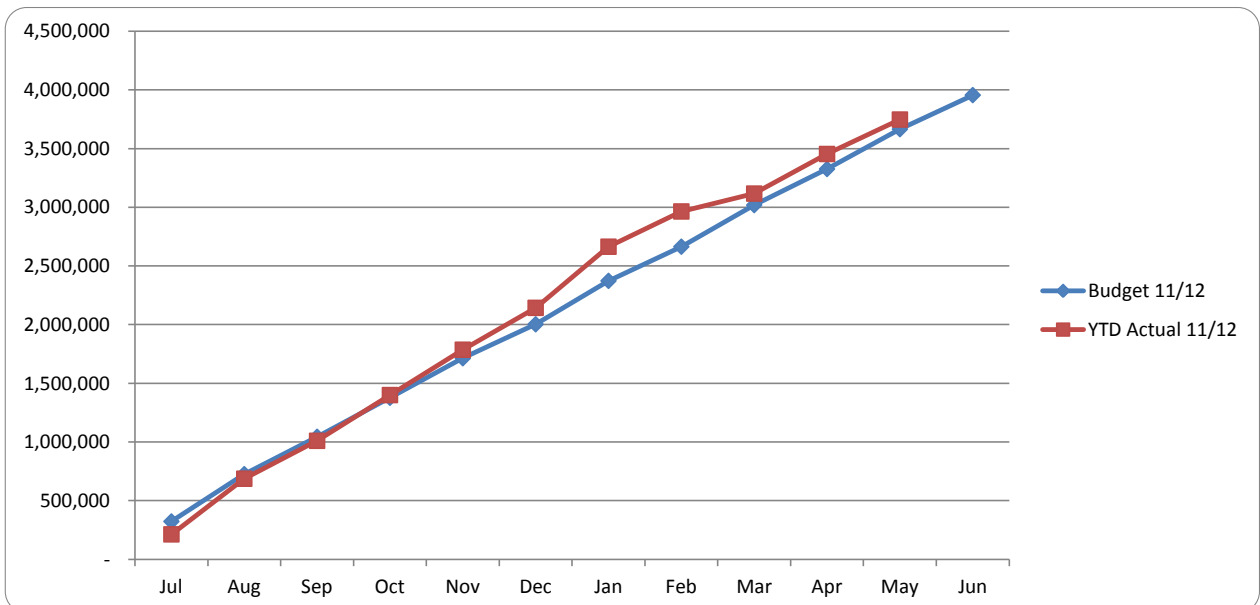
**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012**

Graphical Representation - Source Statement of Financial Activity

Operating Budget v Actual - REVENUE



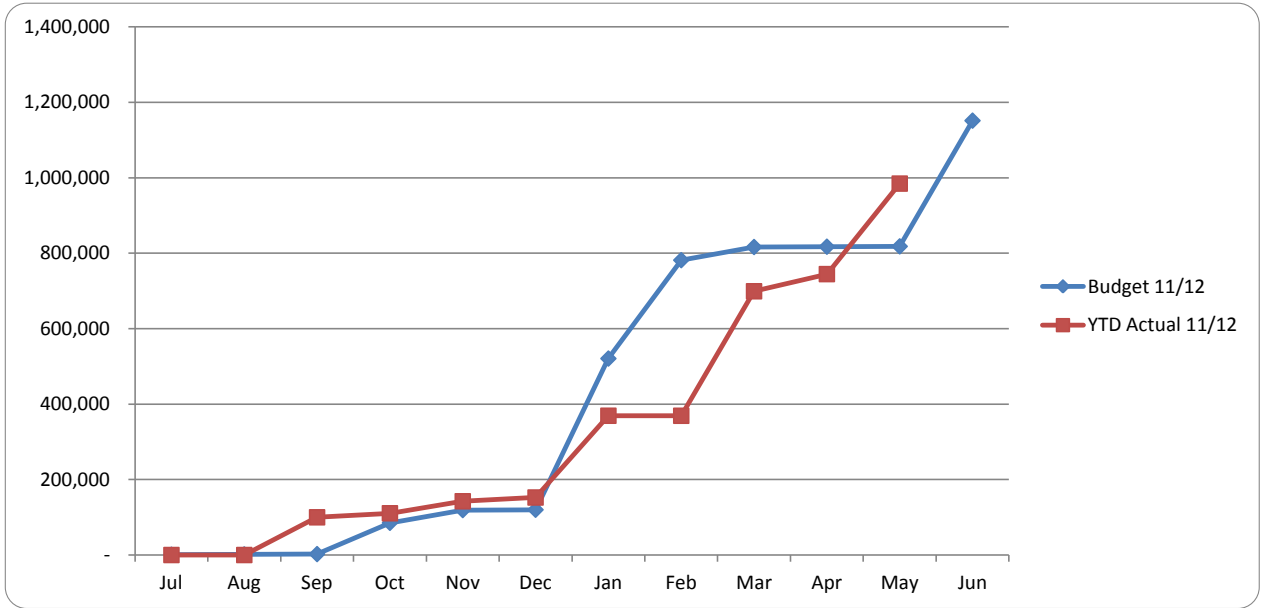
Operating Budget v Actual - EXPENDITURE



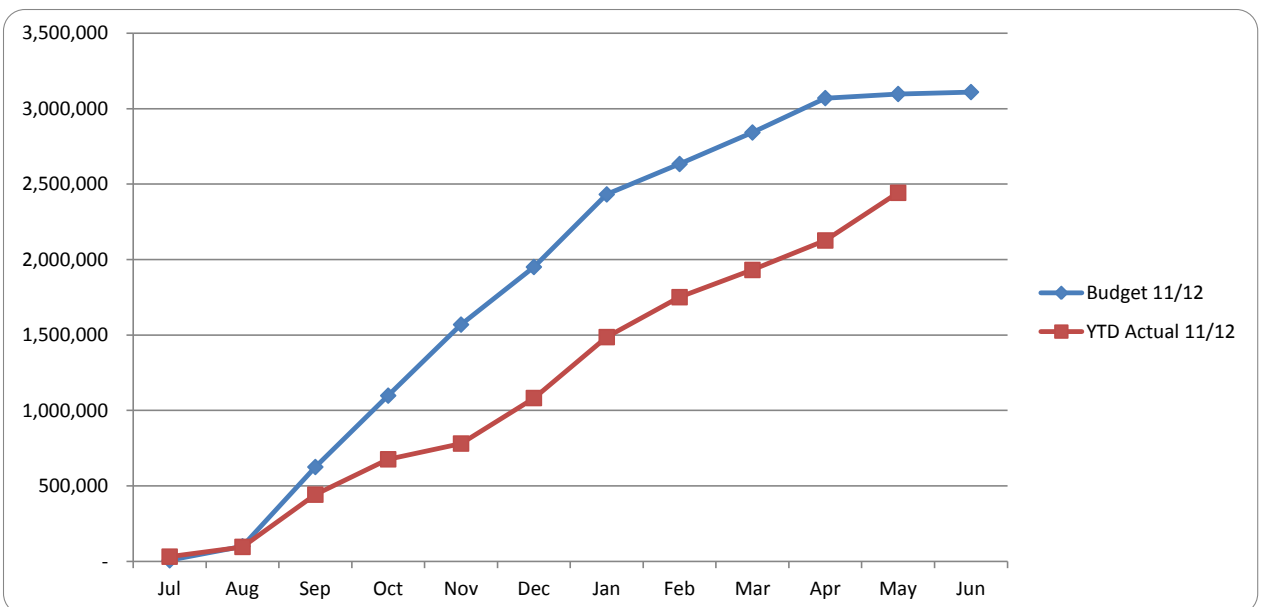
**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012**

Graphical Representation - Source Statement of Financial Activity

Capital Budget v Actual - REVENUE



Capital Budget v Actual - EXPENDITURE



**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012**

Statement of Financial Activity - Reportable Variances

REVENUES/SOURCES

Governance	31%	Additional receipt of \$50,000 from Three Springs & Morowa for Planning
Health	(96%)	Maternal & Infant Health Lotterywest grant yet to be received
Education & Welfare	183%	Unbudgeted Lotterywest Grant of \$7,157.70 received for Senior Citizens Building
Housing	18%	Insurance claim income and greater than expected rental income from properties
Community Amenities	(24%)	All Community Bus contributions yet to be received
Recreation & Culture	(14%)	No reimbursements from "Other Rec & Sport" sub program at this stage
Economic Services	77%	Numerous minor amounts across entire Schedule
Other Property and Services	127%	Higher than anticipated Private Works undertaken & Lease of Industrial Land to Karara

(EXPENSES)/(APPLICATIONS)

Governance	(18%)	Termination of Amalgamation Project
General Purpose Funding	(28%)	Lower than expected property valuation expenditure
Law, Order, Public Safety	(30%)	Yet to receive majority of CESM costs from Three Springs plus numerous small amounts
Education & Welfare	(43%)	Lower than expected expenditure on Senior Citizens Building
Community Amenities	(27%)	Lower than expected expenditure to date
Economic Services	(20%)	Slightly less expenditure throughout Schedule 13 - timing variations
Other Property & Services	27%	Higher than anticipated Private Works undertaken

ADJUSTMENTS FOR NON CASH (REVENUE) & EXPENDITURE

(Profit)/Loss on Asset Disposals	42%	Worse than expected sale prices for major plant disposals
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CAPITAL EXPENDITURE AND INCOME

Purchase Land & Buildings	(24%)	Works at Rec Centre and Maternal & Infant Health Clinic yet to be carried out
Purchase Furniture & Equipment	31%	Works or acquisitions complete earlier than anticipated
Purchase Plant & Equipment	(15%)	Not all new plant assets acquired
Purchase Infrastructure Assets - Roads	(28%)	Sealing program has gone to tender and is underway
Purchase Infrastructure Assets - Footpaths	(64%)	Works underway, program not yet completed
Proceeds from disposal of Asset	(44%)	Not all new assets acquired and subsequent disposals made
Transfers to Reserves (Restricted Assets)	638%	Better than expected interest earned

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

1. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted in the preparation of this statement of financial activity are:

(a) Basis of Accounting

This statement is a special purpose financial report, prepared in accordance with applicable Australian Accounting Standards, other mandatory professional reporting requirements and the Local Government Act 1995 (as amended) and accompanying regulations (as amended).

(b) The Local Government Reporting Entity

All Funds through which the Council controls resources to carry on its functions have been included in this statement.

In the process of reporting on the local government as a single unit, all transactions and balances between those funds (for example, loans and transfers between Funds) have been eliminated.

All monies held in the Trust Fund are excluded from the statement, but a separate statement of those monies appears at Note 9.

(c) Rounding Off Figures

All figures shown in this statement, other than a rate in the dollar, are rounded to the nearest dollar.

(d) Rates, Grants, Donations and Other Contributions

Rates, grants, donations and other contributions are recognised as revenues when the local government obtains control over the assets comprising the contributions. Control over assets acquired from rates is obtained at the commencement of the rating period or, where earlier, upon receipt of the rates.

(e) Goods and Services Tax

In accordance with recommended practice, revenues, expenses and assets capitalised are stated net of any GST recoverable. Receivables and payables are stated inclusive of applicable GST.

(f) Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts. Bank overdrafts are included as short-term borrowings in current liabilities.

(g) Trade and Other Receivables

Trade receivables, which generally have 30 - 90 day terms, are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less any allowance for uncollectible amounts.

Collectibility of trade receivables is reviewed on an ongoing basis. Debts that are known to be uncollectible are written off when identified. An allowance for doubtful debts is raised when there is objective evidence that they will not be collectible.

MINGENEW SHIRE COUNCIL ORDINARY MEETING AGENDA – 20th JUNE 2012
SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(h) Inventories

General

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories held from trading are classified as current even if not expected to be realised in the next 12 months.

Land Held for Resale

Land purchased for development and/or resale is valued at the lower of cost and net realisable value. Cost includes the cost of acquisition, development and interest incurred on the financing of that land during its development. Interest and holding charges incurred after development is complete are recognised as expenses.

Revenue arising from the sale of property is recognised in the operating statement as at the time of signing a binding contract of sale.

Land held for resale is classified as current except where it is held as non-current based on Council's intentions to release for sale.

(i) Fixed Assets

All assets are initially recognised at cost. Cost is determined as the fair value of the assets given as consideration plus costs incidental to the acquisition. For assets acquired at no cost or for nominal consideration, cost is determined as fair value at the date of acquisition. The cost of non-current assets constructed by the Local Government includes the cost of all materials used in the construction, direct labour on the project and an appropriate proportion of variable and fixed overhead.

Certain asset classes may be revalued on a regular basis such that the carrying values are not materially different from fair value. Assets carried at fair value are to be revalued with sufficient regularity to ensure the carrying amount does not differ materially from that determined using fair value at reporting date.

(g) Depreciation of Non-Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of the future economic benefits embodied in those assets.

Depreciation is recognised on a straight-line basis, using rates which are reviewed each reporting period. Major depreciation periods are:

Buildings	30 to 50 years
Furniture and Equipment	4 to 10 years
Plant and Equipment	5 to 15 years
Sealed roads and streets	
clearing and earthworks	not depreciated
construction/road base	50 years
original surfacing and major re-surfacing	
- bituminous seals	20 years
- asphalt surfaces	25 years
Gravel roads	
clearing and earthworks	not depreciated
construction/road base	50 years
gravel sheet	10 years
Formed roads (unsealed)	
clearing and earthworks	not depreciated
construction/road base	50 years
Footpaths - slab	40 years
Sewerage piping	100 years
Water supply piping & drainage systems	75 years

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(k) Impairment

In accordance with Australian Accounting Standards the Council's assets, other than inventories, are assessed at each reporting date to determine whether there is any indication they may be impaired.

Where such an indication exists, an estimate of the recoverable amount of the asset is made in accordance with AASB 136 "Impairment of Assets" and appropriate adjustments made.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the Income Statement.

For non-cash generating assets such as roads, drains, public buildings and the like, value in use is represented by the depreciated replacement cost of the asset.

At the time of preparing this report, it is not possible to estimate the amount of impairment losses (if any) as at 30 June 2012.

In any event, an impairment loss is a non-cash transaction and consequently, has no impact on the Monthly Statement of Financial Position from a budgetary perspective.

(l) Trade and Other Payables

Trade and other payables are carried at amortised cost. They represent liabilities for goods and services provided to the Municipality prior to the end of the financial year that are unpaid and arise when the Municipality becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(m) Employee Benefits

The provisions for employee benefits relates to amounts expected to be paid for long service leave, annual leave, wages and salaries and are calculated as follows:

(i) Wages, Salaries, Annual Leave and Long Service Leave (Short-term Benefits)

The provision for employees' benefits to wages, salaries, annual leave and long service leave expected to be settled within 12 months represents the amount the municipality has a present obligation to pay resulting from employees services provided to balance date. The provision has been calculated at nominal amounts based on remuneration rates the Council expects to pay and includes related on-costs.

(ii) Annual Leave and Long Service Leave (Long-term Benefits)

(n) Interest-bearing Loans and Borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Fees paid on the establishment of loan facilities that are yield related are included as part of the carrying amount of the loans and borrowings.

Borrowings are classified as current liabilities unless the Council has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Borrowing Costs

Borrowing costs are recognised as an expense when incurred except where they are directly attributable to the acquisition, construction or production of a qualifying asset. Where this is the case, they are capitalised as part of the cost of the particular asset.

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012**

1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

(o) Provisions

Provisions are recognised when: The council has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

(p) Current and Non-Current Classification

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next 12 months, being the Council's operational cycle. In the case of liabilities where Council does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months except for land held for resale where it is held as non-current based on Council's intentions to release for sale.

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

2. STATEMENT OF OBJECTIVE

In order to discharge its responsibilities to the community, the Shire has developed a set of operational and financial objectives. These objectives have been established both on an overall basis and for each of its broad activities/programs.

Council operations as disclosed in this statement encompass the following service orientated activities/programs:

GOVERNANCE

Objective: To provide a decision making process for the efficient allocation of scarce resources.

Activities: Administration and operation of facilities and services to members of council:
Other costs that relate to the tasks of assisting elected members and ratepayers on matters which do not concern specific council services.

GENERAL PURPOSE FUNDING

Objective: To collect revenue to fund provision of services.

Activities: Rates, general purpose government grants and interest revenue.

LAW, ORDER, PUBLIC SAFETY

Health: To ensure a safer community in which to live.

Activities: Supervision of various local laws, fire prevention, emergency services and animal control.

HEALTH

Objective: To provide an operational framework for good community health.

Activities: Food quality and pest control, maintenance of child health centre, doctors surgery and dental clinic.

EDUCATION AND WELFARE

Objective: To support the needs of the community in education and welfare.

Activities: Assistance to playgroup, youth advisory committee and other voluntary services.

HOUSING

Objective: Provide adequate housing to attract and retain staff and non-staff.

Activities: Maintenance of council owned housing.

COMMUNITY AMENITIES

Objective: Provide services as required by the community.

Activities: Rubbish collection services, tip operation, noise control, town planning administration, cemetery maintenance, storm water drainage, FM radio retransmitter maintenance and mobile phone installation.

RECREATION AND CULTURE

Objective: To establish and efficiently manage infrastructure and resources which will help the social well being of the community.

Activities: Maintenance of halls, swimming pool, library, parks, gardens and reserves.

TRANSPORT

Objective: To provide effective and efficient transport services to the community.

Activities: Construction and maintenance of streets, roads, bridges, cleaning and lighting of streets, traffic signs, depot maintenance and airstrip maintenance.

ECONOMIC SERVICES

Objective: To help promote the Shire and improve its economic well being

Activities: Regulation and provision of tourism, area promotion, building control, noxious weeds, vermin control, plant nursery and standpipes

OTHER PROPERTY & SERVICES

Activities: Private works, plant repairs

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

	31 May, 2012 Actual \$	2011/2012 Budget \$
3. ACQUISITION OF ASSETS		
The following assets have been acquired during the period under review:		
<u>By Program</u>		
Governance		
Purchase Plant & Equipment	86,373.32	86,000
Computer Development	6,423.64	6,000
Furniture & Equipment	27,223.93	32,500
Health		
Buildings	0.00	28,500
Housing		
Buildings	314,247.95	285,000
Land & Buildings	12,226.55	19,500
Community Amenities		
Furniture & Equipment	111.84	17,000
Plant & Equipment	0.00	126,700
Recreation and Culture		
Buildings	21,452.14	100,000
Furniture & Equipment	0.00	5,000
Purchase Plant & Equipment	11,535.14	16,500
Furniture & Equipment	8,888.00	3,000
Transport		
Infrastructure - Roads	1,131,194.15	1,739,520
Footpaths Construction	7,120.51	20,000
Purchase Plant & Equipment	514,411.77	627,400
Tools & Equipment	13,631.28	19,000
Other Property and Services		
Industrial Area Development Costs	42,456.87	45,000
Land & Buildings	0.00	5,000
	2,197,297.09	3,181,620

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012**

	31 May, 2012 Actual \$	2011/2012 Budget \$
3. ACQUISITION OF ASSETS		
The following assets have been acquired during the period under review:		
 <u>By Class</u>		
Land Held for Resale	42,456.87	45,000
Land and Buildings	347,926.64	438,000
Furniture and Equipment	42,647.41	63,500
Plant and Equipment	625,951.51	875,600
Infrastructure Assets - Roads	1,131,194.15	1,739,520
Infrastructure Assets - Footpaths	7,120.51	20,000
Infrastructure Assets - Bridges	0.00	0
Infrastructure Assets - Drainage/Floodways	0.00	0
Infrastructure Assets - Recreation Areas	0.00	0
	<u>2,197,297.09</u>	<u>3,181,620</u>

A detailed breakdown of acquisitions on an individual asset basis can be found in the supplementary information attached to this statement as follows:

- plant replacement programme
- other assets
- road replacement programme
- other infrastructure

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

4. DISPOSALS OF ASSETS

The following assets have been disposed of during the period under review:

By Program	Net Book Value		Sale Proceeds		Profit(Loss)	
	2011 / 2012	2011 / 2012	2011 / 2012	2011 / 2012	2011 / 2012	2011 / 2012
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
	\$	\$	\$	\$	\$	\$
Governance						
Admin Vehicle (MI 177)	12,044	10,948	8,000	11,455	(4,044)	507
CEO Vehicle (1 MI)	50,637	45,456	47,000	45,455	(3,637)	(1)
Transport						
Truck (Prime-mover) (MI 4484)	95,992	87,850	75,000	61,234	(20,992)	(26,616)
Truck (Prime-mover) (MI 4485)	95,993	86,201	75,000	75,871	(20,993)	(10,330)
Works Manager Vehicle (MI 108)	33,332	0	35,000	0	1,668	0
Ute (MI 372)	8,222	6,935	12,500	6,909	4,278	(26)
Ute (MI 278)	11,026	0	12,500	0	1,474	0
Ute (MI 599)	15,061	0	9,000	0	(6,061)	0
Sale of Pig Trailer (MI 3196)	0	0	15,000	0	15,000	0
Sale of Dolly (MI 3396)	2,306	0	10,000	0	7,694	0
Other Property & Services						
Light Industrial Blocks	60,000	0	60,000	0	0	0
	384,613	237,390	359,000	200,924	(25,613)	(36,466)

By Class	Net Book Value		Sale Proceeds		Profit(Loss)	
	2011 / 2012	2011 / 2012	2011 / 2012	2011 / 2012	2011 / 2012	2011 / 2012
	BUDGET	ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
	\$	\$	\$	\$	\$	\$
Land & Buildings						
Light Industrial Blocks	60,000	0	60,000	0	0	0
Plant & Equipment						
Admin Vehicle (MI 177)	12,044	10,948	8,000	11,455	(4,044)	507
CEO Vehicle (1 MI)	50,637	45,456	47,000	45,455	(3,637)	(1)
Truck (Prime-mover) (MI 4484)	95,992	87,850	75,000	61,234	(20,992)	(26,616)
Truck (Prime-mover) (MI 4485)	95,993	86,201	75,000	75,871	(20,993)	(10,330)
Works Manager Vehicle (MI 108)	33,332	0	35,000	0	1,668	0
Ute (MI 372)	8,222	6,935	12,500	6,909	4,278	(26)
Ute (MI 278)	11,026	0	12,500	0	1,474	0
Ute (MI 599)	15,061	0	9,000	0	(6,061)	0
Sale of Pig Trailer (MI 3196)	0	0	15,000	0	15,000	0
Sale of Dolly (MI 3396)	2,306	0	10,000	0	7,694	0
	384,613	237,390	359,000	200,924	(25,613)	(36,466)

Summary

Loss on Asset Disposals
 Profit on Asset Disposals

2011 / 2012	31/5/2012
BUDGET	ACTUAL
\$	\$
30,114	507
(55,727)	(36,973)
<u>(25,613)</u>	<u>(36,466)</u>

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

5. INFORMATION ON BORROWINGS

(a) Debenture Repayments

Particulars	Principal 1 Jul 11	New Loans		Principal Repayments		Principal Outstanding		Interest Repayments	
		Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$	Actual \$	Budget \$
Education & Welfare									
Loan 137 - Senior Citizens Building	118,080	0	0	3,781	3,781	114,299	114,299	7,128	7,129
Housing									
Loan 133 - Triplex (+)	119,821	0	0	8,127	8,127	111,694	111,694	8,047	8,048
Loan 134 - S/C Housing (+)	75,729	0	0	4,161	4,161	71,568	71,568	4,639	4,640
Loan 136 - Staff Housing (#)	150,614	0	0	5,653	5,653	144,961	144,961	9,580	9,581
Loan 142 - Staff Housing	0	100,000	100,000	0	0	100,000	100,000	0	0
Recreation & Culture									
Loan 138 - Pavilion Fit-Out	113,355	0	0	3,630	3,630	109,725	109,725	6,843	6,844
Transport									
Loan 135 - Plant Purchases	25,688	0	0	25,688	25,688	0	0	855	854
Loan 139 - Roller	100,862	0	0	10,800	10,800	90,062	90,062	6,515	6,515
Loan 140 - Skid Steer	13,984	0	0	6,907	13,984	7,077	0	354	540
Loan 141 - Grader	208,108	0	0	17,943	17,943	190,165	190,165	12,616	12,616
Loan 143 - Trucks	0	250,000	250,000	0	0	250,000	250,000	0	0
Loan 144 - Trailer	0	100,000	100,000	0	0	100,000	100,000	0	0
	926,241	450,000	450,000	86,688	93,767	1,289,553	1,282,474	56,577	56,767

(+) Loan financed by rental proceeds received from tenants.

(#) Loan financed from rental proceeds received from staff (subsidised) or third party tenants.

All other debenture repayments are to be financed by general purpose revenue.

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012**

5. INFORMATION ON BORROWINGS (Continued)

(b) New Debentures - 2011 / 2012

Particulars/Purpose	Amount Borrowed		Institution	Loan Type	Term (Years)	Total Interest & Charges	Interest Rate	Amount Used		Balance Unspent \$
	Actual	Budget						Actual	Budget	
Loan 142 - Staff Housing	0	100,000	WATC	Debenture	10	27,500	5.01%	100,000	100,000	0
Loan 143 - Trucks	0	250,000	WATC	Debenture	5	39,500	4.72%	250,000	250,000	0
Loan 144 - Trailer	0	100,000	WATC	Debenture	10	27,500	5.01%	100,000	100,000	0

(c) Unspent Debentures

Council had no unspent debentures at 30 June, 2011 nor is it expected to have unspent debenture funds as at 30 June, 2012.

(d) Overdraft

Council has an overdraft facility of \$200,000 with National Australia Bank of which Nil was utilised at 30 June 2011. It is anticipated that this facility will not be utilised during the 2011 / 2012 financial year.

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

	31 May, 2012 Actual \$	2011/2012 Budget \$
6. RESERVES		
Cash Backed Reserves		
(a) Land and Building Reserve		
Opening Balance	242,830	242,830
Amount Set Aside / Transfer to Reserve	7,055	5,450
Amount Used / Transfer from Reserve	(100,000)	(185,000)
	<u>149,884</u>	<u>63,280</u>
(b) Sportsground Improvement Reserve		
Opening Balance	2,362	2,362
Amount Set Aside / Transfer to Reserve	96	105
Amount Used / Transfer from Reserve	-	-
	<u>2,458</u>	<u>2,467</u>
(c) Plant Replacement Reserve		
Opening Balance	129,371	129,371
Amount Set Aside / Transfer to Reserve	4,458	2,900
Amount Used / Transfer from Reserve	(120,000)	(120,000)
	<u>13,828</u>	<u>12,271</u>
(d) Accrued Leave Reserve		
Opening Balance	41,537	41,536
Amount Set Aside / Transfer to Reserve	1,697	1,840
Amount Used / Transfer from Reserve	-	-
	<u>43,234</u>	<u>43,376</u>
(e) Aged Persons Units Reserve		
Opening Balance	34,295	34,295
Amount Set Aside / Transfer to Reserve	1,401	1,450
Amount Used / Transfer from Reserve	-	(17,500)
	<u>35,696</u>	<u>18,245</u>
(f) Street Light Upgrade Reserve		
Opening Balance	12,538	12,539
Amount Set Aside / Transfer to Reserve	512	500
Amount Used / Transfer from Reserve	-	-
	<u>13,051</u>	<u>13,039</u>
(g) Painted Road Reserve		
Opening Balance	3,679	3,678
Amount Set Aside / Transfer to Reserve	150	165
Amount Used / Transfer from Reserve	-	-
	<u>3,829</u>	<u>3,843</u>
(h) Industrial Area Reserve		
Opening Balance	14,165	14,164
Amount Set Aside / Transfer to Reserve	579	200
Amount Used / Transfer from Reserve	-	(10,000)
	<u>14,744</u>	<u>4,364</u>

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

6. RESERVES (Continued)	31 May, 2012 Actual \$	2011/2012 Budget \$
(i) Environmental Rehabilitation Reserve		
Opening Balance	25,179	25,179
Amount Set Aside / Transfer to Reserve	1,029	1,000
Amount Used / Transfer from Reserve	-	(10,000)
	<u>26,208</u>	<u>16,179</u>
(j) RTC/PO/NAB Reserve		
Opening Balance	17,662	17,662
Amount Set Aside / Transfer to Reserve	722	775
Amount Used / Transfer from Reserve	-	-
	<u>18,384</u>	<u>18,437</u>
Total Cash Backed Reserves	<u>321,315</u>	<u>195,501</u>

All of the above reserve accounts are to be supported by money held in financial institutions.

Council have a policy of annual revaluation of road infrastructure. The amount of any revaluation adjustment at 30 June 2011 is not known. Any transfer to or from an asset revaluation reserve will be a non-cash transaction and as such, has no impact on this budget document.

**Summary of Transfers
To Cash Backed Reserves**

Transfers to Reserves

Land and Buildings Reserve	7,055	5,450
Sports Ground Improvement Reserve	96	105
Plant Replacement Reserve	4,458	2,900
Accrued Leave Reserve	1,697	1,840
Aged Persons Units Reserve	1,401	1,450
Street Light Upgrade Reserve	512	500
Painted Road Reserve	150	165
Industrial Area Development Reserve	579	200
Environmental Rehabilitation Reserve	1,029	1,000
RTC/PO/NAB Reserve	722	775
	<u>17,699</u>	<u>14,385</u>

Transfers from Reserves

Land and Buildings Reserve	(100,000)	(185,000)
Sports Ground Improvement Reserve	0	0
Plant Replacement Reserve	(120,000)	(120,000)
Accrued Leave Reserve	0	0
Aged Persons Units Reserve	0	(17,500)
Street Light Upgrade Reserve	0	0
Painted Road Reserve	0	0
Industrial Area Development Reserve	0	(10,000)
Environmental Rehabilitation Reserve	0	(10,000)
RTC/PO/NAB Reserve	0	0
	<u>(220,000)</u>	<u>(342,500)</u>

Total Transfer to/(from) Reserves	<u>(202,301)</u>	<u>(328,115)</u>
--	------------------	------------------

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012**

In accordance with council resolutions in relation to each reserve account, the purpose for which the reserves are set aside are as follows:

Land & Building Reserve

- to be used for the acquisition, construction and maintenance of land and buildings.

Plant Replacement Reserve

- to be used for the purchase of plant.

Accrued Leave Reserve

- to be used to fund annual and long service leave requirements.

Aged Persons' Units Reserve

- to be used for the funding of future operating shortfalls of the aged persons' units in accordance with the management agreement Council has with Homeswest.

Street Light Upgrade Reserve

- to be used for the upgrade of street lights in the town of Mingenew.

Painted Road Reserve

- to be used for the painted road and associated projects.

Industrial Area Development Reserve

- to be used for the development of the industrial area.

Environmental Rehabilitation Reserve

- to be used for the rehabilitation of Gravel Pits.

RTC/PO/NAB Reserve

- to be used for the maintenance and upkeep of the Rural Transaction Centre

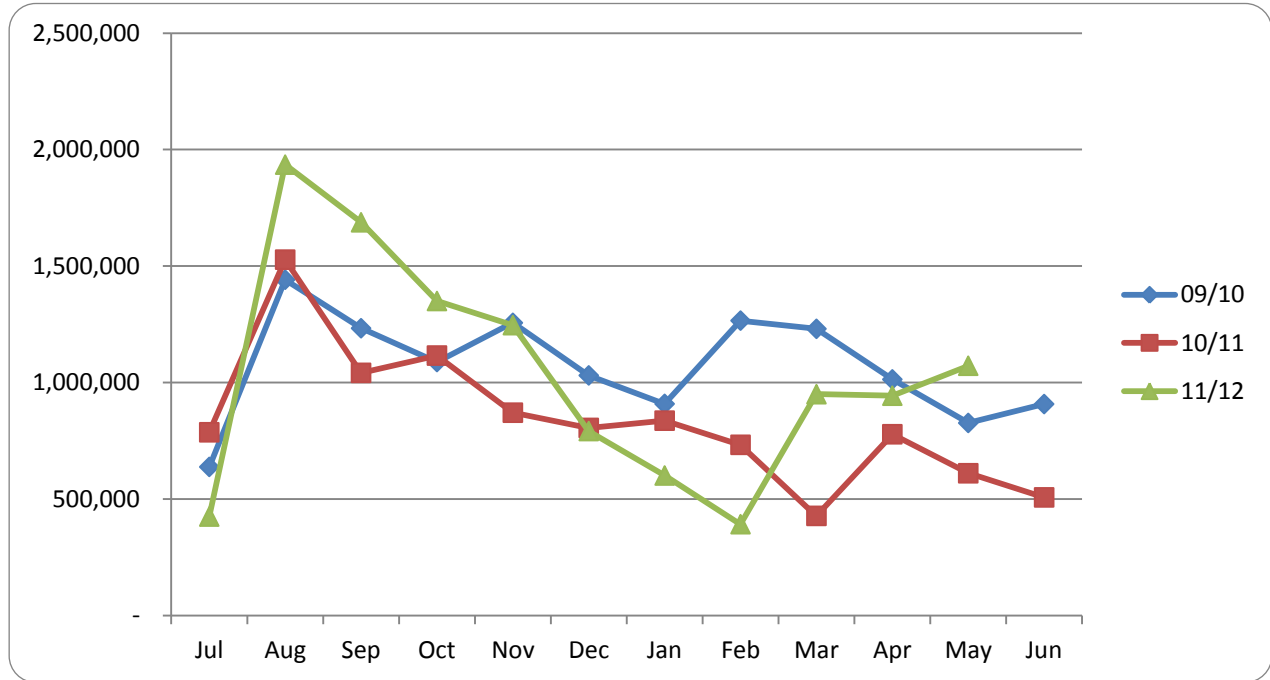
None of the above Reserves are expected to be used within a set period as it is envisaged that further transfers to the reserve accounts will occur as funds are utilised.

SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

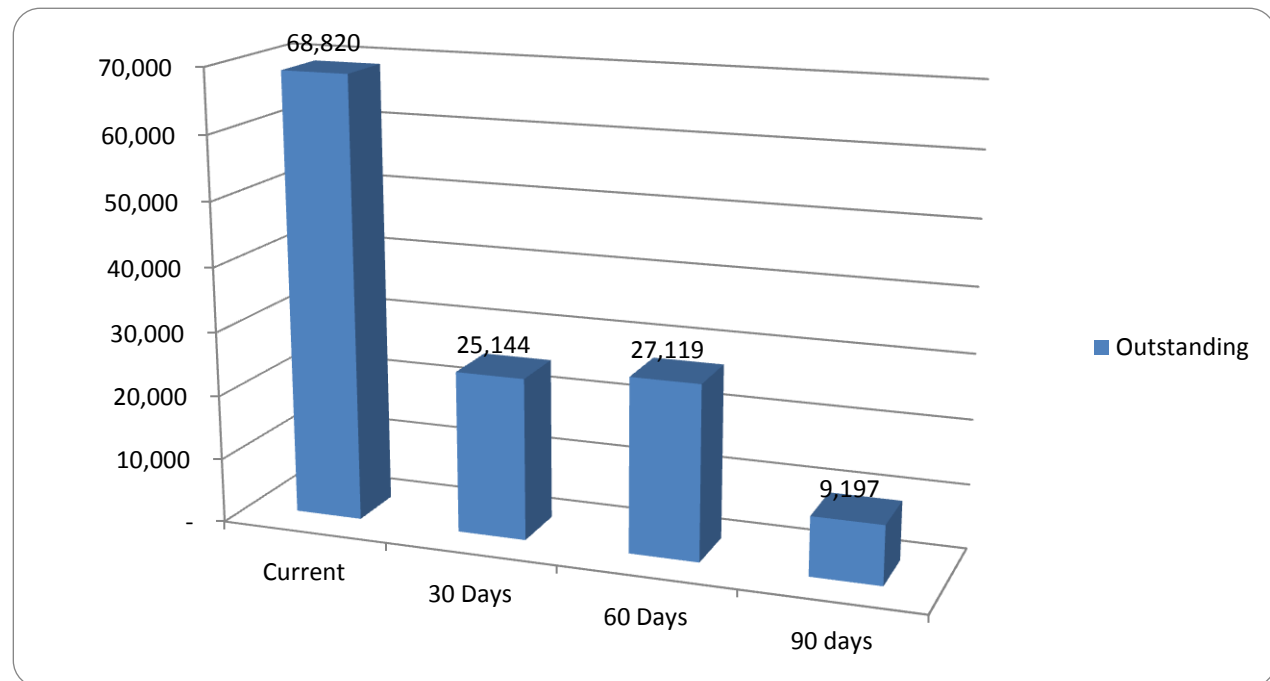
	31 May, 2012	Brought Forward
	Actual	1-Jul-11
	\$	\$
7. NET CURRENT ASSETS		
Composition of Estimated Net Current Asset Position		
 CURRENT ASSETS		
Cash - Unrestricted	853,909	355,956
Cash - Restricted (Reserves)	321,315	523,616
Cash - Restricted (Unspent Grants)	28,987	103,987
Cash - Restricted (Unspent Loans)	-	-
Receivables		
- Rates Outstanding	25,245	21,974
- Sundry Debtors	146,762	89,397
- Emergency Services Levy	-	-
- Provision for doubtful debt	-	-
- GST Receivable	-	29,517
Inventories	17,352	19,758
	1,393,570	1,144,205
 LESS: CURRENT LIABILITIES		
Payables		
- Sundry Creditors	220	(90,333)
- GST Payable	-	(10,438)
- PAYG/Withholding Tax Payable	-	(12,298)
	220	(113,069)
 NET CURRENT ASSET POSITION	 1,393,790	 1,031,136
Less: Cash - Reserves - Restricted	(321,315)	(523,616)
Less: Cash - Restricted/Committed	-	-
 ESTIMATED SURPLUS/(DEFICIENCY) C/FWD	 1,072,475	 507,520

**SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012**

7.1 Graphical Representation - Liquidity over the Year



7.2 Graphical Representation - Debtors Outstanding



SHIRE OF MINGENEW

NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

8. RATING INFORMATION - 2011 / 2012 FINANCIAL YEAR

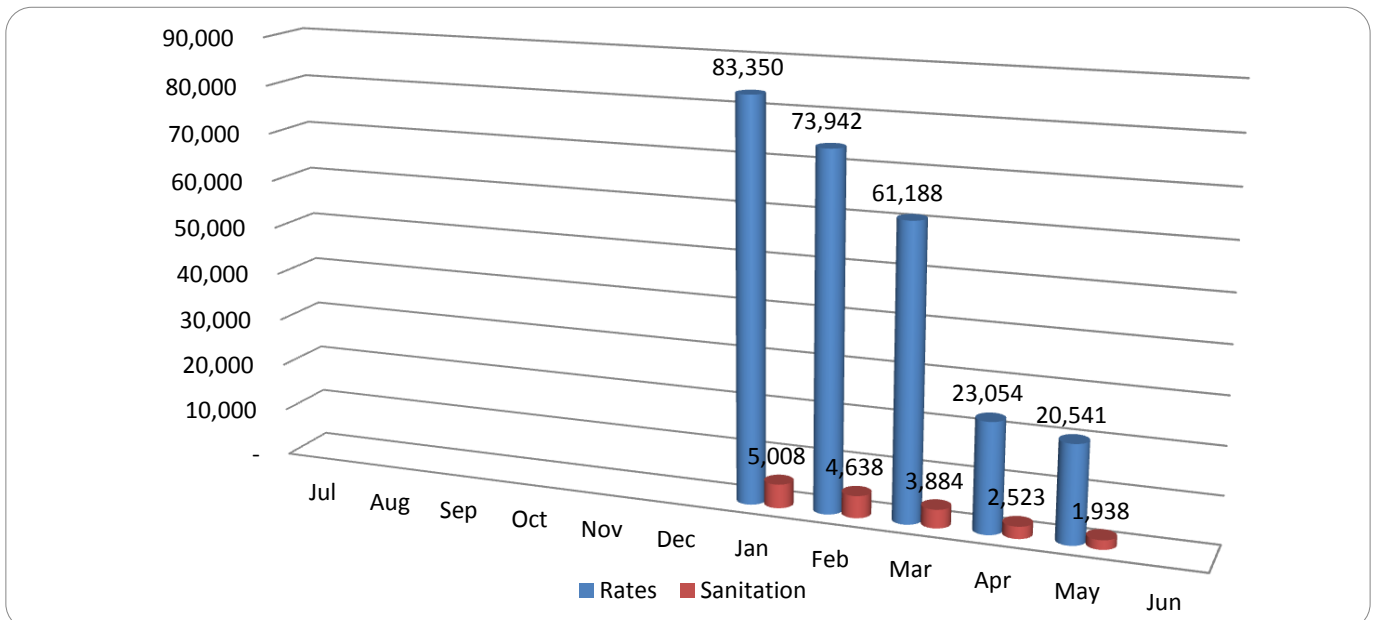
RATE TYPE	Rate in \$	Number of Properties	Rateable Value \$	2011/2012 Rate Revenue \$	2011/2012 Interim Rates \$	2011/2012 Back Rates \$	2011/2012 Total Revenue \$	2011/2012 Budget \$
General Rate								
GRV - Townsites	9.7487	143	952,796	92,885	(330)	0	92,555	92,885
UV - Rural/Mining	10.6340	130	98,031,296	1,042,465	(385)	0	1,042,080	1,042,465
Sub-Totals		273	98,984,092	1,135,350	(715)	0	1,134,635	1,135,350
Minimum Rates	Minimum \$							
GRV - Townsites	330	84	41,356	27,720	0	0	27,720	27,720
UV - Rural/Mining	450	23	207,458	10,350	0	0	10,350	10,350
Sub-Totals		107	248,814	38,070	0	0	38,070	38,070
Rates Written-Off							41,060	0
Ex-Gratia Rates							0	0
Movement in Excess Rates							17,801	17,800
							(2,303)	0
Totals							1,188,203	1,191,220

All land except exempt land in the Shire of Mingenew is rated according to its Gross Rental Value (GRV) in townsites or Unimproved Value (UV) in the remainder of the Shire.

The general rates detailed above for the 2011 / 2012 financial year have been determined by Council on the basis budget and the estimated revenue to be received from all sources of raising the revenue required to meet the deficiency between the total estimated expenditure proposed in the other than rates and also bearing considering the extent of any increase in rating over the level adopted in the previous year.

The minimum rates have been determined by Council on the basis that all ratepayers must make a reasonable contribution to the cost of the Local Government services/facilities.

8.1 Rates Outstanding



MINGENEW SHIRE COUNCIL ORDINARY MEETING AGENDA – 20th JUNE 2012
SHIRE OF MINGENEW
NOTES TO AND FORMING PART OF THE STATEMENT OF FINANCIAL ACTIVITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

9. TRUST FUNDS

Funds held at balance date over which the Municipality has no control and which are not included in the financial statements are as follows:

Detail	Balance 01-Jul-11 \$	Amounts Received \$	Amounts Paid (\$)	Balance \$
BCITF Levy	0	1,728	(1,293)	435
BRB Levy	0	252	(227)	25
Centenary/Autumn Committee	1,674	60	0	1,734
Community Bus	500	0	0	500
Cool Room Bonds	0	125	0	125
Donations CWA	0	0	0	0
Farm Water Scheme	756	0	0	756
Industrial Land Bonds	16,550	0	(14,550)	2,000
Mingenev Cemetery Group	366	0	0	366
Mingenev District Christmas Tree Fund	(8)	0	0	-8
Mingenev Water Rights	200	0	(200)	0
Nomination Fees	0	320	(320)	0
Other Bonds	5,909	0	(520)	5,389
Paul Starick Transpot	0	0	0	0
Police Licensing	0	31,456	(31,456)	0
Sinosteel Community Trust Fund	55,035	0	0	55,035
Tree Planter - LCDC	288	0	0	288
Weary Dunlop Memorial	1,600	306	0	1,906
Youth Advisory Council	2,319	0	0	2,319
	<u>85,189</u>			<u>70,870</u>

10. CASH / INVESTMENTS SUMMARY

Investments

Financial Institution	Fund	Date Invested	Investment Amount \$	Interest Rate %	Maturity Date	31 May 2012 Actual \$
Cash at Bank						
Financial Institution	Fund	Total Cash at Bank	O/S Deposits	O/S Cheques	Adjustment	31 May 2012 Actual \$
National Australia Bank	Muni	53,224	347	(6,227)	1,333	48,677
National Australia Bank	Trust	70,855	1	-	-	70,856
			Interest		Transfers	
National Australia Bank	Maxi Investment	833,919	-	-	-	833,919
National Australia Bank	Reserve Maxi	321,315	-	-	-	321,315

11. SUPPLEMENTARY INFORMATION

May include (not exhaustive) the following:

- Income Statement By Nature & Type;
- Income Statement By Program;
- Balance Sheet;
- Statement of Changes in Equity;
- Debtors listings;
- Creditors listings;
- Cash/Investment summaries;
- Plant reports;
- Ratio analysis; and
- Other information considered relevant.

SHIRE OF MINGENEW

INCOME STATEMENT

BY NATURE OR TYPE

FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

	NOTE	31/05/2012 Actual \$	2011 / 2012 Budget \$
REVENUES FROM ORDINARY ACTIVITIES			
Rates	8	1,189,490	1,173,420
Operating Grants, Subsidies and Contributions		1,381,296	1,341,976
Non-Operating Grants, Subsidies and Contributions		923,439	1,287,291
Profit on Asset Disposals		506	30,114
Proceeds on Disposal of Assets	#	52,703	-
Service Charges		-	-
Fees and Charges		303,220	234,629
Interest Earnings		48,056	39,490
Other Revenue		480,621	12,500
		<u>4,379,331</u>	<u>4,119,420</u>
EXPENSES FROM ORDINARY ACTIVITIES			
Employee Costs		(758,940)	(859,681)
Materials and Contracts		(811,783)	(1,213,443)
Utility Charges		(106,101)	(123,954)
Depreciation		(1,165,048)	(375,770)
Loss on Asset Disposals		(36,974)	(55,727)
Interest Expenses		(40,167)	(56,767)
Insurance		(150,448)	(151,909)
Other Expenditure		(478,145)	(82,800)
		<u>(3,547,606)</u>	<u>(2,920,051)</u>
NET RESULT		831,725	1,199,369

SHIRE OF MINGENEW**INCOME STATEMENT****BY PROGRAM****FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012**

	31/05/12	31/05/12	2011/12
	Y-T-D Actual	Y-T-D Budget	Total Budget
	\$	\$	\$
OPERATING REVENUES			
Governance	121,567	92,973	106,540
General Purpose Funding	1,968,580	1,959,466	1,961,758
Law, Order, Public Safety	25,894	25,419	25,535
Health	1,069	25,946	26,040
Education and Welfare	10,399	3,674	4,025
Housing	73,797	62,535	68,229
Community Amenities	124,367	163,821	164,150
Recreation and Culture	64,628	75,184	121,740
Transport	1,740,501	1,866,207	1,919,803
Economic Services	14,324	8,107	8,900
Other Property and Services	234,205	103,279	112,700
	<u>4,379,331</u>	<u>4,386,611</u>	<u>4,519,420</u>
OPERATING EXPENSES			
Governance	(366,924)	(448,972)	(456,560)
General Purpose Funding	(29,673)	(40,997)	(44,749)
Law, Order, Public Safety	(64,511)	(92,004)	(100,444)
Health	(38,132)	(34,045)	(49,678)
Education and Welfare	(22,341)	(39,385)	(42,316)
Housing	(130,793)	(133,710)	(143,956)
Community Amenities	(75,490)	(102,708)	(111,258)
Recreation & Culture	(722,874)	(755,625)	(882,378)
Transport	(1,850,919)	(1,757,017)	(1,212,838)
Economic Services	(134,663)	(168,466)	(182,989)
Other Property and Services	(111,286)	(92,412)	(92,884)
	<u>(3,547,606)</u>	<u>(3,665,341)</u>	<u>(3,320,050)</u>
NET PROFIT OR LOSS/RESULT	<u>831,725</u>	<u>721,270</u>	<u>1,199,370</u>

SHIRE OF MINGENEW

BALANCE SHEET

FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

	31 May, 2012 ACTUAL \$	2011 \$
CURRENT ASSETS		
Cash and Cash Equivalents	1,204,211	983,559
Trade and Other Receivables	172,007	140,888
Inventories	17,352	19,758
TOTAL CURRENT ASSETS	<u>1,393,570</u>	<u>1,144,205</u>
NON-CURRENT ASSETS		
Other Receivables	-	-
Inventories	155,380	112,923
Property, Plant and Equipment	6,257,050	5,886,154
Infrastructure	34,071,427	33,683,905
TOTAL NON-CURRENT ASSETS	<u>40,483,857</u>	<u>39,682,982</u>
TOTAL ASSETS	<u>41,877,427</u>	<u>40,827,187</u>
CURRENT LIABILITIES		
Trade and Other Payables	3,041	147,837
Long Term Borrowings	7,076	93,765
Provisions	157,473	157,472
TOTAL CURRENT LIABILITIES	<u>167,590</u>	<u>399,074</u>
NON-CURRENT LIABILITIES		
Long Term Borrowings	1,282,477	832,477
Provisions	15,279	15,279
TOTAL NON-CURRENT LIABILITIES	<u>1,297,756</u>	<u>847,756</u>
TOTAL LIABILITIES	<u>1,465,346</u>	<u>1,246,830</u>
NET ASSETS	<u>40,412,081</u>	<u>39,580,357</u>
EQUITY		
Retained Profits (Surplus)	54,046,139	53,012,114
Reserves - Cash Backed	321,315	523,616
Reserves - Asset Revaluation	(13,955,373)	(13,955,373)
TOTAL EQUITY	<u>40,412,081</u>	<u>39,580,357</u>

SHIRE OF MINGENEW
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JULY, 2011 TO 31 MAY, 2012

	31 May 2012 Actual \$	2011 \$
RETAINED PROFITS (SURPLUS)		
Balance as at 1 July 2011	23,374,214	23,217,670
Change in Net Assets Resulting from Operations	831,725	141,742
Transfer from/(to) Reserves	202,301	14,802
Balance as at 30 June 2012	<u>24,408,241</u>	<u>23,374,214</u>
RESERVES - CASH BACKED		
Balance as at 1 July 2011	523,616	538,418
Amount Transferred (to)/from Surplus	<u>(202,301)</u>	<u>(14,802)</u>
Balance as at 30 June 2012	<u>321,315</u>	<u>523,616</u>
RESERVES - ASSET REVALUATION		
Balance as at 1 July 2011	15,930,143	987,385
Revaluation Increment	-	14,942,758
Revaluation Decrement	-	-
Balance as at 30 June 2012	<u>15,930,143</u>	<u>15,930,143</u>
TOTAL EQUITY	<u><u>40,659,698</u></u>	<u><u>39,827,973</u></u>

9.6.2 2012 FINANCIAL MANAGEMENT REVIEW

Agenda Reference: MFA 06/12-02
Location/Address: Shire of Mingenew
Name of Applicant: Nil
File Reference: N/A
Disclosure of Interest: Nil
Date: 14 June, 2012
Author: Cameron Watson – Manager Finance & Administration

Signature of Author: _____

SUMMARY

This report presents the 2008 Financial Management Review to Council for acceptance.

ATTACHMENT

2012 Financial Management Review

BACKGROUND

Once in every four year period, a review of the appropriateness and effectiveness of Councils financial management systems and procedures is required to be undertaken with the outcome of this review being subsequently reported to Council.

COMMENT

In May 2012, Councils Auditors – UHY Haines Norton Chartered Accountants, performed an independent financial management review, for the period 1st July 2011 to 29th February 2012; on behalf of Council. Their findings and associated report are attached to this item.

While the auditors have noted several areas where Councils systems and procedures can be improved, there are some noted deficiencies that are more closely related to the size and structure of Council. An example of this is on page 9, item 4.7 (i) where they note that the time cards for the works crew are being authorised by and system entry completed by a couple related by marriage. While in the larger metropolitan Councils this might be a rare occurrence, in the regional areas it can be quite common and short of reassigning one person to other duties there is limited scope to rectify the situation.

Overall the review was positive with the Auditors final conclusion being in part;

“Based on our work described in this report, nothing has come to our attention to indicate the Shire of Mingenew has not established and maintained appropriate and effective financial management systems and procedures during the period 1 July 2011 to 29 February 2012.”

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulations 1996, Regulation 5 (2) (c)

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION – ITEM 9.6.2

That Council receives the Financial Management Review for 2012

SHIRE OF MINGENEW

FINANCIAL MANAGEMENT REVIEW JUNE 2012



Financial Management Review

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DISCLAIMER

The objective of this review as outlined in greater detail in Part 2.0 of this report as presented, is to assist the Chief Executive Officer of the Shire of Mingenew discharge his responsibilities in respect to Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996 (as amended).

It has been prepared by UHY Haines Norton (WA) Pty Ltd for this sole purpose.

It is not intended to be used by any other individual or organisation.

Confidential – this document and the information contained in it are confidential and should not be used or disclosed in any way without our prior consent.

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1.0 INDEPENDENT REVIEWER'S REPORT TO THE CHIEF EXECUTIVE OFFICER OF THE SHIRE OF MINGENEW (CEO)

At the request of the CEO, UHY Haines Norton was engaged to conduct a limited assurance review of the appropriateness and effectiveness of the Shire of Mingenew's financial management systems and procedures. The objective of the review is to assist the CEO discharge his responsibilities in respect to Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996 (as amended). The review was conducted for the period 1 July 2011 to 29 February 2012.

CEO's responsibility for maintaining and reviewing financial management systems and procedures.

The CEO is responsible for implementing policies, procedures and controls which are designed to ensure the effective and efficient management of the Shire's resources. In accordance with Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996 (as amended), the CEO is to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures. At least once in every four financial years the CEO is to report the results of those reviews to Council.

Our responsibility

Our responsibility is to provide a report expressing limited assurance, designed to enhance the confidence of the CEO to assist him report on the appropriateness and effectiveness of the financial management systems as required by Regulation 5(2)(c) of the Local Government (Financial Management) Regulations 1996 (as amended). We conducted our engagement in accordance with Australian Standard on Assurance Engagements *ASAE 3500 Performance Engagements* issued by the Australian Auditing and Assurance Standards Board and the Audit Guidelines, in order to state whether, based on the procedures performed, anything has come to our attention that causes us to believe that Council's financial management systems have not been operating effectively. Our engagement provides limited assurance as defined in ASAE 3500.

Our procedures were agreed to with the CEO in our engagement letter dated 1 February 2012.

Limitations of use

This report is made solely to the CEO of the Shire of Mingenew for the purpose of him reporting under Local Government (Financial Management) Regulation 5(2)(c). We disclaim any assumption of responsibility for any reliance on this report to any person other than the CEO of the Shire of Mingenew, or for any purpose other than that for which it was prepared. We disclaim all liability to any other party for all costs, loss, damages, and liability that the other party might suffer or incur arising from or relating to or in any way connected with the contents of our report, the provision of our report to the other party, or the reliance on our report by the other party.

Inherent limitations

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement conducted in accordance with ASAE 3500 and consequently does not allow us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we will not express an opinion providing reasonable assurance.

We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and its responsibility to prevent and detect irregularities, including fraud. Accordingly, readers of our reports should not rely on the report to identify all potential instances of non-compliance which may occur.

Page 2

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**1.0 INDEPENDENT REVIEWER'S REPORT
TO THE CHIEF EXECUTIVE OFFICER OF THE SHIRE OF MINGENEW (CEO) (Continued)**

Inherent limitations (Continued)

Any projection of the evaluation of the level of compliance to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with management procedures may deteriorate.


Independence

In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

Conclusion

Based on our work described in this report, nothing has come to our attention to indicate the Shire of Mingenew has not established and maintained appropriate and effective financial management systems and procedures during the period 1 July 2011 to 29 February 2012.

For those aspects of the Shire of Mingenew's Financial Management systems and procedures which were assessed as having opportunities for improvement, our findings are summarised at Part 3 of this report and detailed observations and comments are located at Part 4 of this report.


UHY HAINES NORTON
CHARTERED ACCOUNTANTS

Date: 8 June 2012
Perth, WA


GREG GODWIN
DIRECTOR

2.0 OBJECTIVE, SCOPE AND OVERVIEW OF FINDINGS

OBJECTIVE

The objective of our engagement as outlined in our engagement letter is as follows:

To provide a report expressing limited assurance designed to enhance the confidence of the intended user (in this instance the CEO) in the performance of the control environment of the financial management system of the Shire of Mingenew (administered by Shire staff being the Responsible Party) for which the intended user (CEO) is ultimately responsible in accordance with the Act and Regulations.

It includes the performance of assurance procedures designed to test the financial management system and report to the CEO on the appropriateness and effectiveness of the control environment within, as required by Financial Management Regulation 5(2)(c).

We trust this report will assist in the ongoing review and improvement of the Shire's financial management practices and procedures.

SCOPE

As agreed our examination covered the period July 2011 to February 2012. To this end we examined the following financial systems and procedures of Council:-

- Bank Reconciliations and Petty Cash
- Trust Fund
- Receipts and Receivables
- Rates
- Fees and Charges
- Purchases, Payments and Payables (Including Purchase Orders)
- Wages and Salaries
- Fixed Assets (Including acquisition and disposal of property)
- Credit Card Procedures
- Storage of Documents/Record Keeping
- Costs Allocations
- Administration Allocations
- Minutes and Meetings
- Financial Reports
- Budget
- Plan for the Future
- Registers (Including Annual & Primary Return)
- Delegations
- Audit Committee
- Insurance
- General Compliance issues

We did not necessarily examine compliance with provisions of the Act or Regulations, which were not financial in nature. That is, Parts 2, 4, 8 and 9 of the Act, some provisions of Parts 3 and 5 as well as most regulations (apart from the Financial Management Regulations), which did not impact on the areas examined above.

OVERVIEW OF FINDINGS

As referred to in Part 1.0 of this report, a summary of our findings and detailed observations may be found in Parts 3.0 and 4.0 on the following pages.

Addressing the issues highlighted will help to ensure the controls and procedures established are not compromised in the future and the integrity of the financial management system is maintained.

3.0 SUMMARY OF FINDINGS

Key:		
S	Systems and Procedures	H
C	Compliance Matter	M
		L
		High Risk
		Medium Risk
		Low Risk
FINDINGS	NATURE	RISK
Purchases, Payments And Payables		
Purchase Orders should be raised prior to goods or services being received.	S	M
Preventive controls over the loading and changing of staff and creditors banking details should be implemented.	S	H
Wages and Salaries		
Controls be improved on time card approving and recording;	S	M
Month end payroll reconciliations should be reviewed and filed;	S	L
Annual performance reviews of staff should be documented;	S	L
Letters of appointment should be filed in personnel files; and	S	M
CEO's letter acknowledging a resignation should be filed in personnel files.	S	M
Fixed Assets		
Documentary evidence be kept of monthly fixed assets reconciliations.	S	M
Cost Allocations		
Cost allocation rates should be reviewed on a regular basis and documentary evidence should be kept for the allocation rates used.	S	L
Financial Reports		
Monthly Statements of Financial Activity to include explanations for all material variances.	C	M
Registers		
No blank sections to be left on Primary and Annual returns.	C	L
The CEO or president should acknowledge receipt of returns;	C	L
Primary Return start date should not be a date prior to employment commencement;	C	M

3.0 SUMMARY OF FINDINGS (Continued)

FINDINGS	NATURE	RISK
Registers (Cont) Returns of former Councillors and staff should be removed from the register;	C	L
All staff who are designated employees should complete Primary and Annual Returns; and	C	L
Tender register must be updated with all required information.	C	L
Other Matters		
Disaster Plan		
A disaster recovery plan should be developed and adopted.	S	M
Fuel Inventory		
Fuel inventory reconciliations should be reviewed and filed.	S	L

Please Note: The assessment of risk as detailed above is our assessment based on the circumstances surrounding the procedures performed. An assessment of Low Risk is to be read in the context of our assessment of risk to the organisation as a whole. It is not intended to indicate no further action is required.

Our assessments are provided to assist you understand the nature of the matters raised and to prioritise any remedial action.

4.0 AREAS EXAMINED AND FINDINGS**4.1 BANK RECONCILIATIONS AND PETTY CASH****Bank Reconciliations**

An examination of bank reconciliations and procedures noted they are up to date as well as being prepared regularly and promptly for all bank accounts.

Petty Cash

We also examined the petty cash system and procedures and concluded these were being properly controlled and maintained.

4.2 TRUST FUND

Trust funds held by Council were examined to determine proper accountability in the Shire's financial management system.

Our observation and testing confirmed trust funds are adequately controlled and satisfactorily accounted for in the Shire's financial records.

4.3 RECEIPTS AND RECEIVABLES

Detailed testing of a number of receipts, judgementally selected, was performed. This included tracing to individual receipt detail, bank deposits and the general ledger to ensure allocation/posting was correctly performed.

The receivables system including raising of invoices was reviewed with limited testing in respect to allocation/posting.

Overall testing was completed satisfactorily. Controls and procedures are considered to be operating effectively and are appropriate for Council's current scope of operations.

4.4 RATES

Council's rating procedures were examined to determine if they were adequate in ensuring rates were being imposed or raised correctly. This also included inspection of the rate record, rate notices, instalment notices, valuation reconciliations and general ledger.

From testing, we concluded the rate system and record is being properly maintained, rates are correctly imposed and posted to general ledger.

4.0 AREAS EXAMINED AND FINDINGS (Continued)**4.5 FEES AND CHARGES**

Fees and Charges imposed at the time of budget adoption were found to be properly adhered to and accounted for in the Shire's financial records.

4.6 PURCHASES, PAYMENTS AND PAYABLES (INCLUDING PURCHASE ORDERS)

A number of purchases, payments and payables were judgementally selected and testing performed to determine whether purchases were authorised / budgeted and payments were supported, certified, authorised and correctly allocated.

In general, controls and procedures over payments and payables are operating effectively and are appropriate for Council's current scope of operations except:

(i) Purchase Orders

- We noted there were instances where purchase orders were raised after services have been performed or goods received.

Comment: To help ensure all purchases are authorised in line with Council's purchasing policy, Purchase Orders should be raised prior to goods or services being received.

(ii) Electronic Funds Transfers

- Whilst reviewing controls over EFT payments, we noted insufficient controls over the loading and changing of staff and creditors banking details.

Comment: To help ensure all payments are bona fide and appropriately authorised this matter should be investigated further and appropriate higher level control measures that are preventative (rather than detective) in nature be implemented.

The system should be structured to allow for risk areas to be easily reviewed and these reviews should be routinely conducted by staff independent of the payment process.

4.0 AREAS EXAMINED AND FINDINGS (Continued)**4.7 WAGES AND SALARIES**

A number of individual employees were selected and testing performed to ensure:

- the employee existed;
- the correct rate of pay was used;
- non-statutory deduction authorities are on hand;
- time sheets properly completed and authorised;
- hours worked authorised; and
- allocations reasonable and correctly posted.

The system described to us and its supporting controls were found to be operating effectively except:

(i) Time Card Entry

- Time cards of outside staff are completed and signed by the works manager. After completion of time cards by works manager, those are recorded in the payroll system by a person related to the works manager. This indicates lack of segregation of duties on time card approving and recording.

Comment: To help ensure all time entries are bona fide and appropriately authorised, an independent review on the recorded time entry be performed by another officer. Further, to help ensure the integrity of the payroll system we recommend individual staff members sign their timecards.

(ii) Month End Payroll Reconciliation

- Whilst payroll reconciliations are performed at each payrun using an excel spreadsheet, no copies are filed with payroll reports for review by a senior officer independent of preparation.

Recommendation: To help ensure salaries and wages are completely and correctly posted into the general ledger, the month end payroll reconciliations should be reviewed by a senior staff member independent of preparation. The independent review should seek to confirm the accuracy of the reconciliation and should be evidenced accordingly.

(iii) Staff Annual Performance Review

- We noted no evidence to confirm employees' annual performance reviews have been performed.

Comments: To help ensure compliance with S5.38 of the Act, the performance of each employee who is employed for a term of more than one year, including the CEO and each senior employee, is to be reviewed at least once in relation to every year of the employment. Documentary evidence of reviews should be kept on file.

4.0 AREAS EXAMINED AND FINDINGS (Continued)**4.7 WAGES AND SALARIES (Continued)****(iv) Letter of Employment**

- Of the eight personnel files reviewed by ourselves, one did not contain a letter of appointment.

Comments: To help ensure all personnel files contain a complete record of all agreements with employees, Appointment Letters should be filed in each employee's personnel file.

(v) Letter of Acknowledgment by CEO for resigned employees

- Of the two past employees' files reviewed by ourselves, one did not contain a letter from the CEO acknowledging the resignation of the employee.

Comments: To help ensure all personnel files contain a complete record of all correspondence with past employees, the letter from the CEO acknowledging the resignation should be filed in each past employees' file. This process may also assist the Shire should any legal challenges be made by past employees.

4.8 FIXED ASSETS (INCLUDING ACQUISITION AND DISPOSAL OF PROPERTY)

The fixed assets management system including controls over acquisition and disposal of assets, updating of the fixed assets register, depreciation of fixed assets and reconciliation of the fixed assets register to general ledger was examined. We concluded fixed assets are properly accounted for and supporting controls are operating effectively except:

- We noted no monthly reconciliations of fixed assets. Further, we were advised these reconciliations are performed on screen and therefore no documentary evidence of these reconciliations exists.

Comment: To help ensure evidence of the performance of month end reconciliations exists, the monthly reconciliations should be printed, signed and dated by the preparer and the reviewer and be filed in a monthly reconciliation file.

Our review of the fixed assets management system has been limited to the historic financial accounting elements of the system. As a consequence our review was not designed to look at whether current practices will provide sufficient information to calculate the new asset ratios required by the amendment to the Local Government (Financial Management) Regulation 50 effective from 1 July 2012.

4.0 AREAS EXAMINED AND FINDINGS (Continued)**4.9 CREDIT CARD PROCEDURES**

A review of Council's credit card expenditures, judgementally selected, was performed. The system described to us and its supporting controls were found to be operating effectively.

4.10 STORAGE OF DOCUMENTS/RECORD KEEPING

A detailed and fully indexed register and filing system is in place and appears to be complete and operating effectively. All minutes, registers, contracts and legal documents are stored in a Strong Room which appears to be fire resistant.

4.11 COST AND ADMINISTRATION OVERHEAD ALLOCATIONS

We noted whilst the allocation rates for Administration Costs, Plant Operating Costs and Public Works Overheads were recently reviewed and adjusted a significant amount of costs remained unallocated at the date of our review. In addition, we noted no documentary evidence for the allocation rates used.

Comment: To help ensure Administration Costs, Plant Operating Costs and Public Works Overheads are fully allocated, allocation rates should be reviewed and revised where applicable, on a regular basis. Rates used should be supported by documentary evidence comprising supporting work papers which should be printed and filed in the monthly reconciliation files. In addition, these work papers should be signed and dated by the preparer and the reviewer.

4.12 MINUTES AND MEETINGS

Council meeting minutes were reviewed to ensure compliance with procedures and protocols.

The procedures and protocols surrounding meetings and the quality of minutes were found to be of a satisfactory standard and in accordance with legislative requirements.

4.0 AREAS EXAMINED AND FINDINGS (Continued)

4.13 FINANCIAL REPORTS

The following reports were reviewed for compliance with legislative requirements:

- Annual Report;
- Annual Financial Report;
- Monthly Financial Reports; and
- Annual Budget.

All were found to be of a satisfactory standard and in compliance with legislative requirements except:

- Explanations in Monthly Statements of Financial Activity have not been made for all reported material variances.

Comments: To help ensure compliance with FM Reg 34(2)(b) an explanation should be provided for each of the material variances between budget estimates to the end of the month to which the statement relates and actual amounts of expenditure, revenue and income to the end of the month to which the statement relates;

As the above matters raised represent non-compliance with Financial Management Regulations, they may be carried forward to our audit report for the year ended 30 June 2012.

4.14 BUDGET

The budget document and documents surrounding budget adoption were reviewed to ensure compliance with regulatory requirements.

All statutory requirements were satisfactorily met.

4.15 PLAN FOR THE FUTURE

We note the Council's plan for the future adopted in September 2010 covers 2010 to 2013 and met statutory requirements.

4.0 AREAS EXAMINED AND FINDINGS (Continued)**4.16 REGISTERS (INCLUDING ANNUAL & PRIMARY RETURNS)*****Financial Interest Register***

The register was examined to ensure compliance with regulatory requirements. The following areas were noted as having opportunity for improvement:

- Our review of Annual returns of Councillors and Staff lodged since 1 July 2011 revealed 2 of 11 returns contained sections which had been left blank.

Comment: To help ensure compliance with Departmental Circular 18-2005 and to help ensure returns submitted are not at risk of being amended, all sections should be completed. We note it is acceptable to record N/A, Nil or No Change or to rule a clear line through a N/A section whilst leaving sections blank is not recommended practice.

- Primary Returns of 3 Councillors and 2 Staff were acknowledged by the Finance officer without having delegated authority.

Comment: To help ensure compliance with Section 5.77 of the LG Act, on receipt of a return, the CEO or president, as the case may be, is to give the person written acknowledgment of having received the return.

- The Primary Return of one staff member was dated prior to their employment commencement date.

Comment: To help ensure compliance with Section 5.75 of the LG Act, the start date on a Primary Return should not be a date prior to their employment commencement date.

- Former employees and Councillors returns are still in the current register.

Comments: To help ensure compliance with Section 5.88(3) returns of former Councillors and designated employees should be removed as soon as practicable after they cease being Councillors or designated employees. We remind Council that Section 5.88 (4) requires the returns be kept for a period of at least 5 years.

- Shire staff who may be designated employees have not completed Primary and / or Annual returns.

Comment: To help ensure compliance with s.5.74, 5.75 and 5.76 of the Local Government Act 1995, the status of all staff should be reviewed and all staff deemed to be designated employees should complete Primary and Annual Returns.

4.0 AREAS EXAMINED AND FINDINGS (Continued)**4.16 REGISTERS (INCLUDING ANNUAL & PRIMARY RETURNS) (Continued)*****Tender Register***

The tender register was reviewed for completeness and compliance and deemed to be satisfactorily maintained and appropriate for Council needs except:

- The name of each tenderer whose tender has been opened, the name of the successful tenderer and the amount of the consideration sought in the tender accepted by Council was not always included in the register as required by Functions and General Regulations 17(2)(e), 17(2)(f) and 17(3).

Comment: We recommend a process be implemented to help ensure the tender register is promptly updated and these requirements are correctly addressed in future.

4.17 DELEGATIONS

The delegations register was reviewed for completeness and compliance and deemed to be satisfactorily maintained and appropriate for Council needs.

4.18 AUDIT COMMITTEE

Council's establishment of its audit committee and the constituted membership was examined by us and found to be in compliance with the requirements of the Act.

4.19 INSURANCE

Discussions with staff and review of policy documents revealed policies are current and the coverage is currently adequate. Evidence also exists to suggest an annual review of insurance risks occurs.

4.20 OTHER MATTERS***Disaster Plan***

Whilst reviewing the Emergency Response and Evacuation Procedures (EREP) of the Shire we noted the Shire does not have documented procedures relating to business recovery and business continuity in the event of a disaster.

Comment: To help ensure continuity of Council operations in the event of a disaster a data recovery plan should be developed and adopted as part of Council's EREP.

Fuel Inventory

The procedures in relation to the control of fuel inventory were reviewed. Whilst physical fuel dips are carried out and appear to be reconciled to the accounting system on a monthly basis, we noted no documentary evidence of these reconciliations being performed or reviewed.

Comment: To help ensure the fuel inventory is properly monitored and book balances agree to physical quantities, relevant working papers for these inventory reconciliations should be kept and they should be reviewed by a staff member independent of preparation. In addition, the physical dip reading reports should be signed and filed.

9.6.3 WRITE OFF OF DEBTOR AMOUNT

Agenda Reference: MFA 06/12-03
Location/Address: Shire of Mingenew
Name of Applicant: Nil
File Reference: N/A
Disclosure of Interest: An impartiality interest is declared by the author as he is the Chairperson of the Mingenew CRC Committee.
Date: 14 June, 2012
Author: Cameron Watson – Manager Finance & Administration

Signature of Author: _____

SUMMARY

The report recommends the write off of a debt incurred by the Mingenew Community Resource Centre (CRC) at the time it assumed the responsibility for the running of the Mingenew Post Office.

ATTACHMENT

Correspondence received from the Coordinator of the Mingenew CRC.

BACKGROUND

When the CRC took over the running of the Mingenew Post Office, there was a number of Post Office stock items available for sale still remaining. An invoice for this remaining stock was subsequently raised by Council to the value of \$8,824.26. This invoice was made up of \$100.00 for Cash on Hand – Float and \$8,724.26 Stock on Hand. The CRC subsequently made a single payment of \$250.00 on this invoice.

COMMENT

As indicated in the correspondence for the Coordinator of the CRC, Mrs Di Morgan, there was an understanding that the invoice was only to be paid if the Post Office was profitable enough in its first year to cover the amount outstanding.

A profit & loss for the year to 31st January 2012 supplied by the CRC shows a loss on Post Office operations of \$6,252.08. In addition to this, the CRC has supported Council by paying \$5,000 towards the installation of air conditioners in the Post Office building during 2011.

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government Act 1995, section 6.12 (1) (c) allows for the write off of any debt.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

If Council was to allow this write off, there would be a reduction of \$8,574.26 in Councils expected income for the year ended 30 June 2012. Another option would be to budget for this write off within the 2012 / 2013 financial year.

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION – ITEM 9.6.3

That Council

- 1. approves the write off of the remainder of invoice 5582 totaling \$8,574.26 and that this write off take place early in the 2012 / 2013 financial year; and**
- 2. includes an amount of \$8,574.26 in GL Code 6880 – General Accounting Write Offs in the 2012/2013 Financial Years budget for the purpose of writing off the remainder of invoice 5582.**



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Mingenew Shire Council
PO Box 120
MINGENEW WA 6522

Mingenew Shire Council,

The Mingenew Community Resource Centre would like to request that Council consider waiving the outstanding amount of \$8574.26, as per invoice # 5582.

The Management Committee is of the understanding that this amount was only to be requested by Council if the CRC / Post Office proved profitable in its first year.

The Mingenew CRC has committed funds to several projects at the RTC building over the years it has been operating within, such as the storage bench in the collating room, air-conditioning in the Post Office, Security system on completion of building and electrical upgrades ie new power and data points. These contributions value at approximately \$12800.00

The Post Office and Community Resource Centre is running smoothly at the moment, with additional grant funding made available to CRC's through the Department of Regional Development and Lands and we would be more than willing to continue to contribute towards capital projects at the RTC which would be beneficial to us both and the wider community.

Should you have any queries please contact myself on (08)9928 1264 or the Management Committee Chairperson – Cameron Watson.
Regards

Di Morgan
Coordinator
Mingenew CRC
14th March 2012

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Department of
Regional Development and Lands



9.6.4 RETENTION OF ADMINISTRATION STAFF DAYS IN LIEU

Agenda Reference: MFA 06/12-04
Location/Address: Shire of Mingenew
Name of Applicant: Nil
File Reference: N/A
Disclosure of Interest: Nil
Date: 15 June, 2012
Author: Julie Borrett – Administration Officer

Signature of Author: _____

SUMMARY

This report requests retention of the two (2) days in lieu leave that were included as an entitlement under the Local Government Officers (Western Australia) Award 1999 that have been removed with the recent implementation of the Local Government Industry Award 2010.

ATTACHMENT

Nil

BACKGROUND

Under the superseded Local Government Officers (Western Australia) Award 1999, administration and certain other officers of a Local Government were entitled to two (2) extra days leave; one being the day after the New Year's Day public holiday and the other being Easter Tuesday. These two (2) extra days were in recognition of the Public Sector public holidays that were in place up until the 29th February 1996.

With the implementation of the Local Government Industry Award 2010, these additional days in lieu leave were omitted. The Local Government Industry Award 2010 is a Federal award and is intended to be implemented on a nationwide basis and as such has been tailored to be a general set of requirements to cover most situations.

COMMENT

While there is no requirement to offer these additional days in lieu leave under the new Local Government Industry Award 2010, many Western Australian Councils have implemented policy that retains this entitlement for the relevant staff. There are several reasons for this, however, the main ones are that as previously stated, the new Local Government Industry Award 2010 is intended as a national award and as such many state specific items were lost and secondly, the entitlement is retained as an enticement when attracting new staff. The Shire of Mingenew has historically required staff to utilise these additional days leave during the Christmas break.

CONSULTATION

Mike Sully – Chief Executive Officer

CONSULTATION

Mike Sully – Chief Executive Officer
Cameron Watson – Manager Finance & Administration

STATUTORY ENVIRONMENT

Local Government Industry Award 2010

POLICY IMPLICATIONS

Currently there are no Policies that directly relate to the provision of leave within Councils Policy Manual.

FINANCIAL IMPLICATIONS

Council has historically factored these additional leave days into its payroll budget.

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION – ITEM 9.6.4

That Council continues to offer those staff members whose positions of employment were eligible to the additional days in lieu under section 28.7 of the Local Government Officers (Western Australia) Award 1999 a continuance of this entitlement.

9.6.5 USE OF COMMON SEAL

Agenda Reference: MFA 06/12-05
Location/Address: Shire of Mingenew
Name of Applicant: Nil
File Reference: N/A
Disclosure of Interest: Nil
Date: 15 June, 2012
Author: Cameron Watson – Manager Finance & Administration

Signature of Author: _____

SUMMARY

This report requests retrospective approval for the affixing of Councils Common Seal to two (2) documents relating to the subdivision and part sale of lot 303 Eleanor Street.

ATTACHMENT

Nil

BACKGROUND

Lot 303 Eleanor Street is zoned General Industry and has been in the process of subdivision for the past 12 years. The subdivision is intended to create four (4) new titles with Council retaining ownership of three (3) and Rick & Linley Starick acquiring the remaining title for the purpose of running a business.

COMMENT

The subdivision process is now predominantly completed with only the generation of the four (4) new titles and subsequent transfer of the one required by the Starick's. Both Council and the Starick's have appointed the same Settlement Agent to allow for the speedy completion of the process.

The Common Seal has been imprinted on two (2) documents; the first was an application for the generation of the new titles and the second was for the transfer of the required title to the Starick's.

While it is preferable to gain Councils approval for the use of the Common Seal prior to the event, in this instance it was deemed advisable to stamp the documents prior to gaining approval as the Starick's have been patient for an extended period regarding this subdivision and have indicated that the lack of a title to the property on which their business is located has caused significant issues regarding their long term business plans.

CONSULTATION

Mike Sully – Chief Executive Officer

STATUTORY ENVIRONMENT

Local Government Act 1995, section 9.49A (2) relates to the Execution of Documents and the use of the Common Seal.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION – ITEM 9.6.4

That Council retrospectively authorises the use of its Common Seal for;

- 1. applying to landgate for the generation of four new Certificates of Title that relate to the subdivision of Lot 303 Eleanor Street, Mingenew; and**
- 2. applying to Landgate for the transfer of land to the Rick & Linley Starick of Lot 2 on deposited plan 56161.**

9.6.6 ACCOUNTS FOR PAYMENT – June, 2012

Agenda Reference: AO 06/12 - 01
Location/Address: Shire of Mingenew
Name of Applicant: Shire of Mingenew
File Reference: N/A
Disclosure of Interest: Nil
Date: 20 June 2012
Author: Julie Borrett

Signature of Author: _____

SUMMARY

Council to confirm the payment of creditors for the month of May in accordance with the Local Government (Financial Management) Regulations 1996 section 13(1).

ATTACHMENT

Copy of list of accounts due (EFT & cheque payments), which will enable Council to confirm the payment of its creditors in accordance with Local Government (Financial Management) Regulations 1996, Section 13 (1).

BACKGROUND

Financial Regulations require a schedule of payments made through the Council bank accounts to be presented to Council for their inspection. The list includes details for each account paid incorporating the payee's name, amount of payment, date of payment and sufficient information to identify the transaction.

COMMENT

Invoices supporting all payments are available for inspection. All invoices and vouchers presented to Council have been certified as to the receipt of goods and the rendition of services and as to prices, computations and costings, and that the amounts shown were due for payment.

CONSULTATION

Nil

STATUTORY ENVIRONMENT

Local Government Act 1995, Section 6.4

Local Government (Financial Management) Regulations 1996, Sections 12, 13 and 14

POLICY IMPLICATIONS

Payments have been made under delegation

FINANCIAL IMPLICATIONS

Funds available to meet expenditure

STRATEGIC IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION – ITEM 9.6.3

That Council confirm the accounts as presented for May 2012 from the Municipal Fund totalling \$459,177.63 represented by Electronic Funds Transfers of EFT6079 to EFT 6152, Cheque Nos 7536 – 7548

Date: 15/06/2012
Time: 1:47:50PM**Shire of MINGENEW**
Statement of Payments for the month of May 2012USER: Administrator Offi
PAGE: 1

Cheque /EFT No	Date	Name Invoice Description	INV Amount	Amount
		Shire of Mingenew - Payroll		
EFT6079	09/05/2012	PAYROLL		26,009.69
		Australian Services Union		
EFT6080	09/05/2012	Payroll deductions		21.60
		CHILD SUPPORT AGENCY		
EFT6081	09/05/2012	Payroll deductions		186.02
		WA LOCAL GOVERNMENT SUPERANNUATION PLAN P/L		
EFT6082	09/05/2012	Superannuation contributions		4,299.43
		PRIME SUPER		
EFT6083	09/05/2012	Superannuation contributions		326.32
		AUSTRALIA POST		
EFT6084	10/05/2012	CHARGES		60.24
		ASPHALT IN A BAG		
EFT6085	10/05/2012	GOODS		3,437.50
		COMMERCIAL HOTEL		
EFT6086	10/05/2012	CHARGES		320.00
		DONGARA DRILLING & ELECTRICAL		
EFT6087	10/05/2012	CHARGES		708.40
		DUN & BRADSTREET (AUSTRALIA) PTY LTD		
EFT6088	10/05/2012	FEES		421.99
		GERALDTON MOWER & REPAIR SPECIALISTS		
EFT6089	10/05/2012	GOODS		216.80
		Great Northern Rural Services		
EFT6090	10/05/2012	GOODS		1,161.76
		HOCKEY'S PEST SERVICE		
EFT6091	10/05/2012	CHARGES		165.00
		IRWIN PLUMBING SERVICES		
EFT6092	10/05/2012	CHARGES		4,501.20
		CANINE CONTROL		
EFT6093	10/05/2012	FEES		660.00
		MICHAEL CAUNCE CARPENTRY		
EFT6094	10/05/2012	CHARGES		3,300.00
		LANDMARK		
EFT6095	10/05/2012	GOODS		33.11
		WESTRAC PTY LTD		
EFT6096	10/05/2012	CHARGES		8,980.52
		WINCHESTER INDUSTRIES		
EFT6097	10/05/2012	MATERIALS		45,148.95
		MINGENEW FABRICATORS		
EFT6098	10/05/2012	REPAIRS		3,700.35
		NAB BUSINESS VISA		
EFT6099	14/05/2012	CREDIT CARD		3,971.96
		GERALDTON MOWER & REPAIR SPECIALISTS		
EFT6100	14/05/2012	PARTS		85.20
		VEOLIA ENVIRONMENTAL SERVICES AUSTRALIA PTY LTD		
EFT6101	14/05/2012	CHARGES		3,832.99
		CHOICES		
EFT6102	14/05/2012	FLOORING		15,631.00
		IRWIN PLUMBING SERVICES		
EFT6103	14/05/2012	CHARGES		5,225.00

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Cheque /EFT No	Date	Name Invoice Description	INV Amount	Amount
		CANINE CONTROL		
EFT6104	14/05/2012	FEES		660.00
		RELIANCE PETROLEUM		
EFT6105	14/05/2012	FUEL		3,379.19
		MICHAEL CAUNCE CARPENTRY		
EFT6106	14/05/2012	REPAIRS		3,830.86
		MINGENEW IGA PLUS LIQUOR		
EFT6107	14/05/2012	GROCERIES		257.45
		Starick Tyres		
EFT6108	14/05/2012	TYRES		1,600.42
		MOOREVIEW PLANTS & TREES		
EFT6109	14/05/2012	PLANTS		349.74
		Midwest Regional Council (MUNI)		
EFT6110	14/05/2012	CHARGES		144.00
		SHIRE OF MEEKATHARRA		
EFT6111	14/05/2012	CHARGES		605.00
		TIMBERTECH FLOORING		
EFT6112	14/05/2012	CHARGES		1,500.00
		WA LIBRARY SUPPLIES		
EFT6113	14/05/2012	GOODS		4,500.00
		FIVE STAR BUSINESS EQUIPMENT & COMMUNICATIONS		
EFT6114	21/05/2012	CHARGES		94.69
		Australian Taxation Office		
EFT6115	21/05/2012	BAS STATEMENT		21,301.03
		ARROWSMITH COMPUTER COMPANY		
EFT6116	21/05/2012	GOODS		189.00
		UHY HAINES NORTON (WA) PTY LTD		
EFT6117	21/05/2012	CHARGES		4,493.50
		CORPORATE HEALTH PROFESSIONALS		
EFT6118	21/05/2012	CHARGES		638.00
		DONGARA DRILLING & ELECTRICAL		
EFT6119	21/05/2012	CHARGES		1,186.55
		Great Northern Rural Services		
EFT6120	21/05/2012	GOODS		745.32
		IRWIN PLUMBING SERVICES		
EFT6121	21/05/2012	CHARGES		597.30
		STATE LIBRARY OF WA		
EFT6122	21/05/2012	CHARGES		42.90
		RELIANCE PETROLEUM		
EFT6123	21/05/2012	FUEL		13,216.50
		MICHAEL CAUNCE CARPENTRY		
EFT6124	21/05/2012	CHARGES		1,086.80
		MICHAEL CHARLES SULLY		
EFT6125	21/05/2012	REIMBURSEMENT		59.95
		TROPHIES AND TREASURES		
EFT6126	21/05/2012	CHARGES		40.00
		Shire of Mingenew - Payroll		
EFT6127	23/05/2012	PAYROLL		28,384.41
		Australian Services Union		
EFT6128	23/05/2012	Payroll deductions		21.60
		CHILD SUPPORT AGENCY		
EFT6129	23/05/2012	Payroll deductions		186.02

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Cheque /EFT No	Date	Name Invoice Description	INV Amount	Amount
		HBF		
EFT6130	23/05/2012	Payroll deductions		70.90
		LGRCEU		
EFT6131	23/05/2012	Payroll deductions		16.40
		WA LOCAL GOVERNMENT SUPERANNUATION PLAN P/L		
EFT6132	23/05/2012	Superannuation contributions		4,614.04
		PRIME SUPER		
EFT6133	23/05/2012	Superannuation contributions		326.32
		BORAL CONSTRUCTION MATERIALS		
EFT6134	28/05/2012	CHARGES		178,707.85
		Courier Australia		
EFT6135	28/05/2012	FREIGHT		22.64
		CORPORATE EXPRESS		
EFT6136	28/05/2012	STATIONERY		44.30
		LANDGATE		
EFT6137	28/05/2012	CHARGES		2,418.15
		DONGARA DRILLING & ELECTRICAL		
EFT6138	28/05/2012	CHARGES		677.82
		DONGARA TREE SERVICE		
EFT6139	28/05/2012	CHARGES		1,496.00
		GERALDTON TV & RADIO SERVICES		
EFT6140	28/05/2012	GOODS		1,428.52
		GREENFIELD TECHNICAL SERVICES		
EFT6141	28/05/2012	CHARGES		7,546.04
		Great Northern Rural Services		
EFT6142	28/05/2012	GOODS		186.10
		CHOICES		
EFT6143	28/05/2012	CARPET		25,168.00
		MILLS' MECHANICAL REPAIRS & SERVICES		
EFT6144	28/05/2012	CHARGES		831.25
		MIDWEST AERO MEDICAL AIR AMBULANCE P/L		
EFT6145	28/05/2012	CHARGES		1,000.00
		PURCHER INTERNATIONAL		
EFT6146	28/05/2012	PARTS		50.27
		PEMCO DIESEL PTY LTD		
EFT6147	28/05/2012	CHARGES		980.07
		SUNNY SIGN COMPANY PTY LTD		
EFT6148	28/05/2012	GOODS		694.74
		Shire Of Three Springs		
EFT6149	28/05/2012	CHARGES		3,588.22
		WA LIBRARY SUPPLIES		
EFT6150	28/05/2012	GOODS		242.70
		Cameron Watson		
EFT6151	28/05/2012	REIMBURSEMENT		100.00
		GEORGE WHITECROSS		
EFT6152	28/05/2012	REIMBURSEMENT		140.00
		MINGENEW SHIRE COUNCIL		
7536	10/05/2012	Payroll deductions		137.00
		Plum Personal Plan		
7537	10/05/2012	Superannuation contributions		159.91
		SYNERGY		

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Statement of Payments for the month of May 2012

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Cheque /EFT No	Date	Name Invoice Description	INV Amount	Amount
		SYNERGY		
7538	10/05/2012	POWER		2,917.40
		TELSTRA		
7539	10/05/2012	PHONE		72.80
		DEPARTMENT OF TRANSPORT		
7540	10/05/2012	REGO		155.65
		BIGPOND		
7541	16/05/2012	CHARGES		39.95
		TELSTRA		
7542	16/05/2012	CHARGES		1,705.93
		Thomas Gordon Campbell		
7543	21/05/2012	Rates refund for assessment A108 YANDANOOKA N-E ROAD MINGENEW		17.85
		SYNERGY		
7544	21/05/2012	CHARGES		1,685.65
		HESTA SUPER FUND		
7545	28/05/2012	Superannuation contributions		54.00
		MINGENEW SHIRE COUNCIL		
7546	28/05/2012	Payroll deductions		137.00
		Plum Personal Plan		
7547	28/05/2012	Superannuation contributions		159.91
		TELSTRA		
7548	28/05/2012	TELSTRA		68.99

REPORT TOTALS

Bank Code	Bank Name	TOTAL
M	MUNI - NATIONAL AUST BANK	459,177.63
TOTAL		459,177.63

National Business Mastercard

01 April to 30 April 2012

CEO - Mike Sully

Soil wetter	\$	66.83
Bank Charges	\$	9.00
	\$	75.83

Manager, Works and Services - Warren Borrett

Cooktop for Silver Chain house	\$	590.00
Bank Charges	\$	9.00
	\$	599.00

Manager, Admin and Finance - Cameron Watson

Internet fees	\$	149.90
Set top box & cables	\$	333.95
Network switch & cables	\$	165.90
Bank Charges	\$	9.00
	\$	658.75
Total Direct Debit Payment made on 30 May 2012	\$	1,333.58

Police Licensing

Direct Debits from Muni Account

1 May 2012 to 31 May 2012

Tuesday, 1 May 2012	\$	4,109.75
Wednesday, 2 May 2012	\$	554.00
Thursday, 3 May 2012	\$	998.30
Tuesday, 8 May 2012	\$	1,069.50
Wednesday, 16 May 2012	\$	269.55
Thursday, 17 May 2012	\$	1,290.95
Friday, 18 May 2012	\$	11,760.50
Monday, 21 May 2012	\$	483.05
Tuesday, 22 May 2012	\$	65.20
Wednesday, 23 May 2012	\$	2,664.95
Thursday, 24 May 2012	\$	1,019.25
Friday, 25 May 2012	\$	2,474.90
Monday, 28 May 2012	\$	365.00
Tuesday, 29 May 2012	\$	1,768.60

Wednesday, 30 May 2012	\$	1,361.25
Thursday, 31 May 2012	\$	345.75
	\$	30,600.50

Bank Fees

Direct Debits from Muni Account 1 May 2012 to 31 May 2012

Total direct debited from Municipal Account	\$	267.85
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Payroll

Direct Payments from Muni Account 1 May 2012 to 31 May 2012

Wednesday, 9 May 2012	\$	36,022.24
Wednesday, 23 May 2012	\$	38,791.79
	\$	74,814.03

- 10 ELECTED MEMBERS/ MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**
- 11 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**
 - 11.1 ELECTED MEMBERS**
 - 11.2 STAFF**
- 12 CONFIDENTIAL ITEMS**
- 13 COUNCILLOR REPORTS**
- 14 TIME AND DATE OF NEXT MEETING**

That the next Ordinary Council Meeting be held on Wednesday the 18th July 2012.

- 15 CLOSURE**