



— City of —  
**Melville**

**AGENDA**

**FOR THE**

**SPECIAL MEETING OF THE COUNCIL**

**TO BE HELD ON**

**27 OCTOBER 2009**

**AT 6.30PM IN THE COUNCIL CHAMBERS**

**MELVILLE CIVIC CENTRE**

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— City of —  
**Melville**

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## NOTICE OF MEETING

I respectfully bring to the attention of Elected Members that a Special Meeting of the Council will be held in the Council Chambers, Melville Civic Centre, 10 Almondbury Road, Booragoon commencing at 6.30pm on Tuesday, 27 October 2009.

The business paper for the Meeting is scheduled below and your attendance is requested.

**DR SHAYNE SILCOX**  
**CHIEF EXECUTIVE OFFICER**

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## AGENDA

### 1. OFFICIAL OPENING

The Presiding Member will cause the Disclaimer to be read aloud by the Governance and Compliance Program Manager.

The Presiding Member will cause the Affirmation of Civic Duty and Responsibility to be read aloud by an Elected Member.

#### **Affirmation of Civic Duty and Responsibility**

**I make this Affirmation in good faith on behalf of Elected Members and Officers of the City of Melville. We collectively declare that we will duly, faithfully, honestly and with integrity fulfil the duties of our respective office and positions for all the people in the district according to the best of our judgement and ability. We will observe the City's Code of Conduct and Standing Orders to ensure the efficient, effective and orderly decision making within this forum.**

### 2. PRESENT

### 3. IN ATTENDANCE

**4. APOLOGIES AND APPROVED LEAVE OF ABSENCE**

**4.1 APOLOGIES**

Cr Nicholson for a late arrival

**4.2 APPROVED LEAVE OF ABSENCE**

Cr Ceniviva

**5. ANNOUNCEMENTS BY THE PRESIDING MEMBER (WITHOUT DISCUSSION) AND DECLARATIONS BY MEMBER**

**5.1 DECLARATIONS BY MEMBERS WHO HAVE NOT READ AND GIVEN DUE CONSIDERATION TO ALL MATTERS CONTAINED IN THE BUSINESS PAPERS PRESENTED BEFORE THE MEETING.**

**5.2 DECLARATIONS BY MEMBERS WHO HAVE RECEIVED AND NOT READ THE ELECTED MEMBERS BULLETIN.**

**6. QUESTION TIME**

**7. DECLARATIONS OF INTEREST**

Disclosures of Interest

<b>Item No</b>	:
<b>Member</b>	:
<b>Type of Interest</b>	:
<b>Nature of Interest</b>	:
<b>Extent of Interest</b>	:
<b>Request</b>	:
<b>Decision of Committee</b>	:
<b>Decision of Council</b>	:

The Members' and Officers' attention is drawn to the following provisions of the Local Government Act 1995 regarding disclosures of interest;

**7.1 FINANCIAL INTERESTS**

A declaration under this section requires that the nature of the interest must be disclosed. Consequently a member who has made a declaration must not preside, participate in, or be present during any discussion or decision making procedure relating to the matter the subject of the declaration.

**7.2 DISCLOSURE OF INTEREST THAT MAY CAUSE A CONFLICT**

Councillors and staff are required (Code of Conduct), in addition to declaring any financial interest, to declare any interest that might cause a conflict. The member / employee is also encouraged to disclose the nature of the interest. The member / employee must consider the nature and extent of the interest and whether it will affect their impartiality. If the member / employee declares that their impartiality will not be affected then they may participate in the decision making processes.

**8. APPLICATIONS FOR NEW LEAVES OF ABSENCE**

**9. IDENTIFICATION OF MATTERS FOR WHICH MEETING MAY BE CLOSED**

**10. BUSINESS**

**C09/6023 - CITY OF MELVILLE ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS REPORT 2008-2009 (AMREC) (ATTACHMENT)**

Ward	:	All
Category	:	Operational
Subject Index	:	City of Melville Annual Financial Statements
Customer Index	:	Not Applicable
Disclosure of any Interest	:	No Officer involved in the preparation of this Annual Financial Statements has a declarable interest in this matter.
Works Programme	:	Not Applicable
Funding	:	Not Applicable
Responsible Officers	:	Khris Yeoh Acting Manager Financial Services

**AUTHORITY / DISCRETION**

**DEFINITION**

<input type="checkbox"/>	Advocacy	<i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i>
<input checked="" type="checkbox"/>	<b>Executive</b>	<b><i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i></b>
<input type="checkbox"/>	Legislative	<i>includes adopting local laws, town planning schemes &amp; policies.</i>
<input type="checkbox"/>	Review	<i>when Council review decisions made by Officers.</i>
<input type="checkbox"/>	Quasi-Judicial	<i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i>

**C09/6023 - CITY OF MELVILLE ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS REPORT 2008-2009 (ATTACHMENT)**

**KEY ISSUES / SUMMARY**

- This report presents the independent auditors report on the 2008-2009 Annual Financial Statements as well as the 2008-2009 Annual Financial Statements for formal acceptance by the council.

**BACKGROUND**

In accordance with Section 5.53(1) of the Local Government Act 1995, a local government is required to prepare an Annual Report for each financial year. Section 5.54 of the Act requires that the Annual Report (which includes the financial report for the year) be accepted by the Local Government no later than 31 December for the previous financial year. Section 5.27 requires the Annual Report be accepted prior to the Annual Meeting of Electors.

The Council is required to accept the full Annual Financial Statements as per Section 6.4(2) of the Act, and electors will be made aware that the full version, including the complete Annual Financial Statements, is available on request.

The report requires acceptance by the Council prior to the Annual General Meeting of Electors to be held on Wednesday, 25 November 2009.

The balance of the Annual Report, ie the text, was adopted by the Council at the Ordinary Meeting held on Tuesday, 13 October 2009.

**DETAIL**

Section 5.53 of the Act requires the Annual Report to contain, among other things, the financial report for the financial year under review.

This financial report which is titled The City of Melville 2008-2009 Annual Financial Statements has been prepared and includes the following:

1. Statement by the Chief Executive Officer
2. Independent Auditor's Report
3. Management Representation Letter
4. Audited Annual Financial Statements
5. Variance Analysis

[6023 Annual Financial Report 2009](#)

[6023 Variance Analysis 2009](#)

The Financial outcomes of the year are specified in the Audited Annual Financial Statements and are summarised in the Financial Implications section of this report.

The Independent Auditors Report provides an unqualified audit opinion in respect to the 2008-2009 Annual Financial Statements.

**C09/6023 - CITY OF MELVILLE ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS REPORT 2008-2009 (ATTACHMENT)**

**PUBLIC CONSULTATION/COMMUNICATION**

No external public consultation has been carried out.

**CONSULTATION WITH OTHER AGENCIES / CONSULTANTS**

The Council's independent external auditors Macri Partners have audited the 2008-2009 financial report.

**STATUTORY AND LEGAL IMPLICATIONS**

Section 5.53 of the Local Government Act 1995 (the Act) headed "Annual reports" specifies that:-

- (1) The local government is to prepare an annual report for each financial year and that.
- (2) The annual report is to contain... (f) the financial report for the financial year; ...

Section 5.54 of the Local Government Act 1995 (the Act) headed "Acceptance of annual reports" specifies that the Annual Report for the financial year is to be accepted by the Local Government no later than 31 December after that financial year.

Section 5.27 of the Act specifies that a General Meeting of Electors is to be held within fifty-six (56) days after the local government accepts the Annual Report for the previous financial year.

Section 6.4 of the Act headed "Financial report" specifies that:-

- (1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.
- (2) The financial report is to —
  - (a) be prepared and presented in the manner and form prescribed; and
  - (b) contain the prescribed information.
- (3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —
  - (a) the accounts of the local government, balanced up to the last day of the preceding financial year; and
  - (b) the annual financial report of the local government for the preceding financial year.

The Annual Financial Statements has been prepared in accordance with all relevant legal requirements and accounting standards.

**C09/6023 - CITY OF MELVILLE ANNUAL FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITORS REPORT 2008-2009 (ATTACHMENT)**

**FINANCIAL IMPLICATIONS**

The net result for the 2008-2009 financial year was an operating deficit of \$734,063 on total operating revenues of \$85.2 million, operating expenses of \$78.7 million, non operating revenues of \$3.5 million and write down of investment values by \$10.8 million.

Net equity fell by \$8,388,529 as a result of the \$734,063 loss and adjustments to the non-cash Asset Revaluation Reserve following a net devaluation of the value of assets.

The value of cash backed reserves (i.e. after deducting the impaired value of investments) increased by \$943,204 however the unexpended capital works and grants reserve increased by \$2,159,603 which will be expended in 2009-2009. The net effect is that the cash backed value of longer term reserve accounts has decreased by \$1,216,399.

**STRATEGIC AND RISK MANAGEMENT IMPLICATIONS**

Nil.

**POLICY IMPLICATIONS**

13-PL-007 Accounting Policy – defines the policy relating to the preparation of the Annual Financial Statements.

14-PL-001 – relating to the Annual Meeting of Electors was deleted at the October 2008 Ordinary Meeting of Council so that the date of the meeting will now be set by the Chief Executive Officer each year in accordance with section 5.29(1) of the Local Government Act 1995. The date set for the meeting this year is still the last Wednesday in November being 25 November 2009.

**ALTERNATE OPTIONS AND THEIR IMPLICATIONS**

Nil.

**CONCLUSION**

The 2008-2009 Annual Financial Statements have been completed and a short form version will be included in the Community Annual Report for 2008-2009, with a full set of financial statements being made available on Councils web-site, at the Councils five libraries, the Civic Centre and in printed form upon request.

An unqualified auditor's report was received following the final audit, and the 2008-2009 Annual Financial Statements will be presented to the Council for acceptance.

**C09/6023 - CITY OF MELVILLE ANNUAL FINANCIAL STATEMENTS AND INDEPENDENT AUDITORS REPORT 2008-2009 (ATTACHMENT)**

The report was presented to the meeting of the Financial Management, Audit, Risk & Compliance committee held on 21<sup>st</sup> October 2009 for noting and the Council now need to accept the Annual Financial Statements and the Audit Report. At the Committee meeting the following resolution was carried unanimously.

**OFFICER RECOMMENDATION &  
FINANCIAL MANAGEMENT, AUDIT, RISK & COMPLIANCE COMMITTEE RESOLUTION  
(6023)**

**NOTING**

At 8.45pm Mr Woodgate moved, seconded Cr Subramaniam -

**That the Financial Management, Audit, Risk and Compliance Committee note the 2008-2009 Annual Financial Statements, including the unqualified independent external auditors report which will be accepted by Council at the Special Meeting of Council to be held on Tuesday 27 October 2009.**

At 8.45pm the Presiding Member submitted the motion which was declared

**CARRIED UNANIMOUSLY (8/0)**

**COUNCIL RESOLUTION (6023)**

**ACCEPT**

**That the 2008-2009 Annual Financial Statements, including the Unqualified Independent External Auditors Report be accepted.**

**11. MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

**12. MOTIONS WITHOUT NOTICE BY ABSOLUTE MAJORITY OF THE COUNCIL**

**13. CLOSURE**