



# AUDIT COMMITTEE MINUTES

AUDIT COMMITTEE GENERAL MEETING  
WEDNESDAY 17 MARCH 2021 – 12.00PM



## **NOTICE OF ORDINARY MEETING OF THE AUDIT COMMITTEE**

Dear Elected Member & Community Members,

You are respectfully advised the next Ordinary Audit Committee Meeting of the Shire of Williams will be held on Wednesday 17 March 2021, in the Shire of Williams Council Chambers, 9 Brooking Street, Williams, commencing at 12.00 pm.

A handwritten signature in black ink, appearing to read 'Geoff McKeown', is positioned above the printed name.

Geoff McKeown  
Chief Executive Officer

### **DISCLAIMER**

No responsibility whatsoever is implied or accepted by the Shire of Williams for any act, omission or statement or intimation occurring during Council or Committee meetings. The Shire of Williams 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 or intimation occurring during Council or Committee meetings. Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee meeting 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 intimation of approval made by a member or officer of the Shire of Williams during the course of any meeting is not intended to be and is not to be taken as notice of approval from the Shire of Williams. The Shire of Williams warns that anyone who has any application lodged with the Shire of Williams must obtain and should only rely on written confirmation of the outcome of the application, and any conditions attaching to the decision made by the Shire of Williams in respect of the application.

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## 1.0 Declaration of Opening

The President, Cr Logie declared the meeting open at 12.00 noon.

## 2.0 Record of Attendance / Apologies / Leave of Absence

### **Elected Members**

Cr Jarrad Logie – President (Presiding Member)  
Cr Simon Harding  
Cr Gilbert Medlen  
Cr Bernie Panizza

### **Staff**

Geoff McKeown - Chief Executive Officer  
Cara Ryan - Manager of Finance

## 3.0 Confirmation of Previous Minutes

### 3.1 Audit Committee Meeting Held 16/12/2020

#### **Officer's Recommendation**

That the Minutes of the Audit Committee Meeting held 16/12/2020, as previously circulated, be confirmed as a true and accurate record.

#### **Committee Decision**

##### ***Harding/Medlen***

That the Minutes of the Audit Committee Meeting held 16/12/2020, as previously circulated, be confirmed as a true and accurate record.

**Carried 4/0**

## 4.0 Matters to be discussed

### 4.1 Compliance Audit Return

<b>File Reference</b>	4.50.00
<b>Statutory Ref.</b>	<i>Local Government (Audit) Regulations 1996</i>
<b>Author &amp; Date</b>	Geoff McKeown 3 March 2021
<b>Attachments</b>	Nil

#### Background

The Annual Compliance Audit Return for the period 1 January 2020 to 31 December 2020, is presented for review by Council.

All local governments are required to carry out a Compliance Audit Return (CAR) under the Local Government (Audit) Regulations 1996 on an annual basis. The CAR contains a checklist of statutory requirements reported on for a calendar year.

The CAR is to be:

1. Presented to the Audit Committee for review at a meeting of the Audit Committee;
2. Recommended for Adoption by Council at an Audit Committee Meeting;
3. Presented to the Council at a meeting of Council;
4. Adopted by the Council; and
5. The adoption recorded in the minutes of the meeting at which it is adopted.

Once the CAR has been adopted by Council, a certified copy of the return, along with the relevant section of the minutes and any additional information explaining or qualifying the CAR is to be submitted to the Director General, Department of Local Government, Sport and Cultural Industries by 31 March 2021.

#### Comment

The audit was carried out internally, sourcing evidence of compliance from the Shire's own records. The audit checklist is determined by the Minister of Local Government.

Some areas of noncompliance are noted, primarily relating to the adoption of items where it requires an absolute majority recording in the minutes.

#### Strategic Implications

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

- CL 2.2 Maintain accountability, transparency and financial responsibility.
- CL 4.4 Monitor and ensure compliance with regulatory framework for local government business.

#### Financial Implications

Nil

**Voting Requirements**

Simple Majority

**Officer's Recommendation**

That the Audit Committee receives the 2020 Compliance Audit Return and recommends to Council that it be endorsed and certified by the Shire President and the Chief Executive Officer for submission to the Department of Local Government, Sport and Cultural Industries.

**Committee Decision**

***Medlen/Harding***

That the Audit Committee receives the 2020 Compliance Audit Return and recommends to Council that it be endorsed and certified by the Shire President and the Chief Executive Officer for submission to the Department of Local Government, Sport and Cultural Industries.

**Carried 4/0**

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of  
**Local Government, Sport  
and Cultural Industries**

**Williams - Compliance Audit Return 2020**

**Certified Copy of Return**

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of the relevant minutes.

<b>Commercial Enterprises by Local Governments</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2020?	N/A		Geoff McKeown
2	s3.59(2)(b) F&G Regs 7,8,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2020?	N/A		Geoff McKeown
3	s3.59(2)(c) F&G Regs 7,8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2020?	N/A		Geoff McKeown
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2020?	N/A		Geoff McKeown
5	s3.59(5)	During 2020, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A		Geoff McKeown

# Minutes – Meeting of the Audit Committee to be held 17/03/21

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of  
**Local Government, Sport  
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<b>Delegation of Power/Duty</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s5.16	Were all delegations to committees resolved by absolute majority?	N/A	No Committees with delegated powers.	Geoff McKeown
2	s5.16	Were all delegations to committees in writing?	N/A		Geoff McKeown
3	s5.17	Were all delegations to committees within the limits specified in section 5.17?	N/A		Geoff McKeown
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A		Geoff McKeown
5	s5.18	Has council reviewed delegations to its committees in the 2019/2020 financial year?	N/A		Geoff McKeown
6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Act?	Yes		Geoff McKeown
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes		Geoff McKeown
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes		Geoff McKeown
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Geoff McKeown
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the council to amend or revoke a delegation made by absolute majority?	Yes		Geoff McKeown
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes		Geoff McKeown
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2019/2020 financial year?	Yes	By resolution of Council on 16 December 2020.	Geoff McKeown
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Admin Reg 19?	Yes		Geoff McKeown

<b>Disclosure of Interest</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes		Geoff McKeown



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No	Reference	Question	Response	Comments	Respondent
2	s5.68(2) & s5.69 (5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by Admin Reg 21A, recorded in the minutes of the relevant council or committee meeting?	Yes		Geoff McKeown
3	s5.73	Were disclosures under section sections 5.65, 5.70 or 5.71A(3) recorded in the minutes of the meeting at which the disclosures were made?	Yes		Geoff McKeown
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Yes		Geoff McKeown
5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2020?	Yes		Geoff McKeown
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	Yes		Geoff McKeown
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76?	Yes		Geoff McKeown
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A, in the form prescribed in Admin Reg 28?	Yes		Geoff McKeown
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76, did the CEO remove from the register all returns relating to that person?	Yes		Geoff McKeown
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes		Geoff McKeown
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B, in the form prescribed in Admin Reg 28A?	Yes		Geoff McKeown
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes		Geoff McKeown
13	s5.89A(6)	When a person ceases to be a person who is required to make a disclosure under section 5.87A or 5.87B, did the CEO remove from the register all records relating to that person?	Yes		Geoff McKeown

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Minutes – Meeting of the Audit Committee to be held 17/03/21

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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No	Reference	Question	Response	Comments	Respondent
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A (6) been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes		Geoff McKeown
15	Rules of Conduct Reg 11(1), (2) & (4)	Where a council member had an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person, did they disclose the interest in accordance with Rules of Conduct Reg 11(2)?	Yes		Geoff McKeown
16	Rules of Conduct Reg 11(6)	Where a council member disclosed an interest under Rules of Conduct Reg 11 (2) was the nature of the interest recorded in the minutes?	Yes		Geoff McKeown
17	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes		Geoff McKeown
18	s5.71A & s5.71B (5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under s5.71A(1) relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A		Geoff McKeown
19	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under subsection 5.71B(6) recorded in the minutes of the council meeting at which the decision was considered?	N/A		Geoff McKeown
20	s5.103 Admin Regs 34B & 34C	Has the local government adopted a code of conduct in accordance with Admin Regs 34B and 34C to be observed by council members, committee members and employees?	Yes		Geoff McKeown
21	Admin Reg 34B(5)	Has the CEO kept a register of notifiable gifts in accordance with Admin Reg 34B(5)?	Yes		Geoff McKeown

**Disposal of Property**

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) (unless section 3.58(5) applies)?	Yes		Geoff McKeown
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	Yes		Geoff McKeown

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of  
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<b>Elections</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate?	Yes		Geoff McKeown
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years?	N/A	No disclosure of gifts forms received.	Geoff McKeown
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with Elect Reg 30G(6)?	Yes		Geoff McKeown

<b>Finance</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes	The Minute of the Council Meeting held on the 19 February 2020 reflects an Absolute Majority but is recorded as a Simple Majority.	Geoff McKeown
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	N/A	No powers delegated to Audit Committee.	Geoff McKeown
3	s7.3(1) & s7.6(3)	Was the person or persons appointed by the local government to be its auditor appointed by an absolute majority decision of council?	Yes		Geoff McKeown
4	s7.3(3)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor a registered company auditor or an approved auditor?	Yes		Geoff McKeown
5	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2020 received by the local government by 31 December 2020?	Yes		Geoff McKeown
6	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	Yes		Geoff McKeown

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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No	Reference	Question	Response	Comments	Respondent
7	s7.12A(4)(a)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters?	Yes		Geoff McKeown
8	s7.12A(4)(b)	Where the local government was required to prepare a report under s.7.12A(4)(a), was a copy of the report given to the Minister within three months of the audit report being received by the local government?	Yes		Geoff McKeown
9	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	Yes		Geoff McKeown
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives and scope of the audit, a plan for the audit, details of the remuneration and expenses paid to the auditor, and the method to be used by the local government to communicate with the auditor?	Yes		Geoff McKeown
11	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June received by the local government within 30 days of completion of the audit?	Yes		Geoff McKeown

### Integrated Planning and Reporting

No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	The most recent review was adopted by Council on the 15 April 2020. The resolution reflects an absolute majority decision but the Minute shows being carried by Simple Majority.	Geoff McKeown
2	Admin Reg 19DA (1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	Adopted by Council on the 17 June 2020. The resolution reflects an absolute majority decision but the Minute shows being carried by Simple Majority.	Geoff McKeown
3	Admin Reg 19DA (2) & (3)	Does the corporate business plan comply with the requirements of Admin Reg 19DA(2) & (3)?	Yes		Geoff McKeown

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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<b>Local Government Employees</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	Admin Reg 18C	Did the local government approve a process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A	Appointment of a CEO did not occur during the period under review.	Geoff McKeown
2	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Admin Reg 18A?	N/A		Geoff McKeown
3	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A		Geoff McKeown
4	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4)?	N/A		Geoff McKeown
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	Yes		Geoff McKeown
6	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A		Geoff McKeown

<b>Official Conduct</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	s5.120	Has the local government designated a senior employee as defined by section 5.37 to be its complaints officer?	Yes		Geoff McKeown
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a)?	Yes		Geoff McKeown
3	s5.121(2)	Does the complaints register include all information required by section 5.121(2)?	Yes		Geoff McKeown
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes		Geoff McKeown

<b>Optional Questions</b>					



# Minutes – Meeting of the Audit Committee to be held 17/03/21

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Financial Management Reg 5(2)(c) within the three years prior to 31 December 2020? If yes, please provide the date of council's resolution to accept the report.	Yes	Acceptance of the Report occurred on 19 February 2020.	Geoff McKeown
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Audit Reg 17 within the three years prior to 31 December 2020? If yes, please provide date of council's resolution to accept the report.	Yes	Acceptance of the Report occurred on 19 February 2020.	Geoff McKeown
3	s5.87C(2)	Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift?	Yes		Geoff McKeown
4	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B, did the disclosure include the information required by section 5.87C?	Yes		Geoff McKeown
5	s5.90A(2)	Did the local government prepare and adopt by absolute majority a policy dealing with the attendance of council members and the CEO at events?	Yes		Geoff McKeown
6	s.5.90A(5)	Did the CEO publish an up-to-date version of the attendance at events policy on the local government's official website?	Yes	Contained within the Policy Manual.	Geoff McKeown
7	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4)?	Yes		Geoff McKeown
8	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes	Contained within the Policy Manual.	Geoff McKeown
9	s5.127	Did the local government prepare a report on the training completed by council members in the 2019/2020 financial year and publish it on the local government's official website by 31 July 2020?	Yes		Geoff McKeown
10	s6.4(3)	By 30 September 2020, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2020?	Yes		Geoff McKeown

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# Minutes – Meeting of the Audit Committee to be held 17/03/21

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of  
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<b>Tenders for Providing Goods and Services</b>					
<b>No</b>	<b>Reference</b>	<b>Question</b>	<b>Response</b>	<b>Comments</b>	<b>Respondent</b>
1	F&G Reg 11A(1) & (3)	Does the local government have a current purchasing policy that complies with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Geoff McKeown
2	F&G Reg 11A(1)	Did the local government comply with its current purchasing policy in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes		Geoff McKeown
3	s3.57 F&G Reg 11	Subject to F&G Reg 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in F&G Reg 11(1)?	Yes		Geoff McKeown
4	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with F&G Reg 14(3) and (4)?	Yes		Geoff McKeown
5	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than a single contract?	Yes		Geoff McKeown
6	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer notice of the variation?	N/A		Geoff McKeown
7	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Regs 15 and 16?	Yes		Geoff McKeown
8	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes		Geoff McKeown
9	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	N/A		Geoff McKeown

# Minutes – Meeting of the Audit Committee to be held 17/03/21

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



No	Reference	Question	Response	Comments	Respondent
10	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	N/A		Geoff McKeown
11	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes		Geoff McKeown
12	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of F&G Regs 21 and 22?	N/A	The Shire did not seek expressions of interest during the year.	Geoff McKeown
13	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A		Geoff McKeown
14	F&G Reg 23(3)	Were all expressions of interest that were not rejected assessed by the local government?	N/A		Geoff McKeown
15	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services as an acceptable tenderer?	N/A		Geoff McKeown
16	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with F&G Reg 24?	N/A		Geoff McKeown
17	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with F&G Reg 24AD(4) and 24AE?	N/A	The Shire did not establish a panel of prequalified suppliers during the year.	Geoff McKeown
18	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A		Geoff McKeown
19	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A		Geoff McKeown
20	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of F&G Reg 24AG?	N/A		Geoff McKeown

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Minutes – Meeting of the Audit Committee to be held 17/03/21

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of  
**Local Government, Sport  
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
21	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A		Geoff McKeown
22	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A		Geoff McKeown
23	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A		Geoff McKeown
24	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of F&G Regs 24E and 24F?	N/A	The Shire has not adopted a regional price preference.	Geoff McKeown

I certify this Compliance Audit Return has been adopted by council at its meeting on \_\_\_\_\_

\_\_\_\_\_  
Signed Mayor/President, Williams

\_\_\_\_\_  
Signed CEO, Williams

## 4.2 2020-21 Budget Review

<b>File Reference</b>	4.21.25
<b>Statutory Ref.</b>	<i>Local Government Act 1995</i> Section 6.12 (1)
<b>Author &amp; Date</b>	Cara Ryan 10 March 2021
<b>Attachments</b>	Nil

### Background

A Statement of Financial Activity incorporating year to date budget variations and forecasts to 30<sup>th</sup> June 2021 for the period ending 28<sup>th</sup> February 2021 is presented to the Audit Committee to consider and for recommendation to Council for adoption.

The *Local Government (Financial Management) Regulations 1996*, Regulation 33A as amended, requires that local governments conduct a budget review between 1 January and 31 March in each financial year. The results of the review and accompanying report from the review must be presented to Council within 30 days of the review. The review and determination is then to be provided to the Department of Local Government, Sport and Cultural Industries within 30 days of the adoption of the review.

The Budget Review has been prepared to include information required by the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* and Australian Accounting Standards. Council adopted a 5% and \$5,000 minimum for reporting of material variances to be used in the statements of financial activity and the annual budget review.

Features of the review as summarised from the detailed financial reports attached are as follows:

### REVENUE

Increase in General Purpose component of Federal Assistance Grant.	\$8,995
Unbudgeted Road Safety Campaign Grant Received.	\$4,159
Family Day Care income below budget target.	(\$18,000)
Childcare Centre income exceeding budget estimates.	\$50,000
Contribution from "The Williams" for new copier did not proceed.	(\$18,000)
Additional revenue received in Refuse Site Fees.	\$5,800
Contribution from Golf Club higher, due to increased mowing hours.	\$5,000
Increase in sale of standpipe water.	\$6,000
Building permits issued above budget expectations.	\$5,900
Additional Private Works undertaken.	\$11,000
Reimbursement for Parental Leave payments.	\$11,560
<b>TOTAL ADJUSTED REVENUE</b>	<b>\$72,414</b>

### EXPENDITURE

Wage costs for recreation maintenance higher than budget estimate.	(\$15,000)
Unbudgeted expenditure relating to Road Safety Campaign.	(\$4,159)

Wage costs for maintenance of townscape and drainage lower than budget estimate. Re-allocated to recreation maintenance.	\$15,000
Purchase of "The Williams" copier did not proceed.	\$18,000
Depreciation re-allocation between various programs. Increases and decreases reported to through the "Programs" in Budget Review Report.	0.00
Increase costs in standpipe water, due to increased sales.	(\$6,000)
COVID-19 Stimulus Relief – full allocation not required.	\$8,000
Increase in costs for Private works.	(\$11,000)
Sundry Tools budget included Kubota slasher. Cost higher than capitalisation threshold, therefore added to capital expenditure.	\$5,800
<b>TOTAL ADJUSTED EXPENDITURE</b>	<b>\$10,641</b>

**CAPITAL REVENUE**

Trade-in of Isuzu Giga higher than budget estimate.	\$17,000
<b>CAPITAL FUNDING</b>	<b>\$17,000</b>

**CAPITAL EXPENDITURE**

Savings on plant replacement program	\$35,000
Purchase of Kubota slasher. Allocation from Sundry Tools budget.	(\$5,800)
Gravel Sheeting for Culbin Boraning Rd over budget.	(\$22,057)
Gravel Sheeting for English Rd under budget.	\$24,000
Additional drainage required to complete Brooking St upgrade.	(\$13,000)
Drainage project re-allocated to Brooking St upgrade.	\$12,000
<b>CAPITAL EXPENDITURE</b>	<b>\$30,143</b>

**OTHER ITEMS**

Decrease in Opening Surplus	(\$5,123)
Reduced need to transfer funds from Plant Replacement Reserve	(\$46,200)
<b>OTHER ITEMS</b>	<b>(\$51,323)</b>

**Comment**

Through the budget review process one item has been identified as unbudgeted expenditure and as such requires endorsement by Council. This is for the expenditure incurred for the Road Safety Campaign of \$4,159. This will not impact on the closing surplus, as a grant has been received for the same value.

**Strategic Implications**

This item aligns with the community's vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017 to 2032. Specifically, it relates to the following strategy(s):

CL 2.2 Maintain accountability, transparency and financial responsibility.

**Financial Implications**

Due to the combined value of the above adjustments the balanced budget is now predicted to have a surplus of \$78,875.

**Voting Requirements**

Simple Majority

**Officer's Recommendation**

That the Audit Committee recommends to Council that it adopt the 2020-2021 Budget Review completed by senior staff. Further, it be recommended to Council that it approve unbudgeted expenditure of \$4,159 for the Road Safety Program Grant.

**Committee Decision**

***Harding/Panizza***

That the Audit Committee recommends to Council that it adopt the 2020-2021 Budget Review completed by senior staff. Further, it be recommended to Council that it approve unbudgeted expenditure of \$4,159 for the Road Safety Program Grant.

**Carried 4/0**



# SHIRE OF WILLIAMS

## BUDGET REVIEW REPORT

For the Period Ended 28 February 2021

LOCAL GOVERNMENT ACT 1995

LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996

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Statement of Budget Review by Program

Note 1	Basis of Preparation
Note 2	Net Current Funding
Note 3	Predicted Variances
Note 4	Budget Amendments

Prepared by : Manager of Finance

Date prepared : All known transactions up to 10th March 2021

STATEMENT OF BUDGET REVIEW  
FOR THE PERIOD ENDED 28 FEBRUARY 2021

## STATUTORY REPORTING PROGRAM

	Note	YTD Budget vs YTD Actual		Predicted			
		Amended YTD Budget (a)	YTD Actual (b)	Adopted Budget (d)	Variance (d)	Forecast Year End (c) + (d)	
		\$	\$	\$	\$		
<b>OPENING FUNDING SURPLUS (DEFICIT)</b>	3.1	392,035	386,912	392,035	(5,123)	386,912	▼
<b>Revenue from operating activities</b>							
Governance		13,699	13,117	19,949	0	19,949	
General Purpose Funding - Rates		1,966,047	1,966,737	1,966,047	0	1,966,047	
General Purpose Funding - Other	3.2.3	182,672	189,197	242,571	8,995	251,566	▲
Law, Order and Public Safety	3.2.4	21,137	29,169	48,708	4,159	52,867	▲
Health		267	773	400	0	400	
Education and Welfare	3.2.6	202,501	231,322	332,801	14,000	346,801	▲
Housing		138,935	138,533	243,611	0	243,611	
Community Amenities	3.2.8	123,022	133,646	199,852	5,800	205,652	▲
Recreation and Culture	3.2.9	49,066	37,222	44,474	5,000	49,474	▲
Transport	3.2.10	86,440	102,401	111,690	17,273	128,963	▲
Economic Services	3.2.11	86,728	103,895	115,154	11,900	127,054	▲
Other Property and Services	3.2.12	43,487	60,088	64,230	22,560	86,790	▲
		2,913,999	3,006,100	3,389,487	89,687	3,479,174	
<b>Expenditure from operating activities</b>							
Governance		(125,134)	(119,472)	(205,370)	0	(205,370)	
General Purpose Funding		(57,734)	(56,310)	(90,051)	0	(90,051)	
Law, Order and Public Safety	3.3.3	(81,378)	(86,189)	(107,247)	(4,159)	(111,406)	▼
Health		(40,868)	(35,014)	(61,302)	0	(61,302)	
Education and Welfare	3.3.5	(234,992)	(216,414)	(353,525)	18,000	(335,525)	▲
Housing	3.3.6	(142,042)	(130,135)	(194,893)	11,500	(183,393)	▲
Community Amenities		(192,717)	(192,303)	(307,745)	0	(307,745)	
Recreation and Culture	3.3.8	(515,232)	(551,212)	(770,025)	(40,500)	(810,525)	▼
Transport	3.3.9	(1,071,672)	(1,032,328)	(1,598,367)	22,000	(1,576,367)	▲
Economic Services	3.3.10	(121,097)	(116,017)	(176,976)	2,000	(174,976)	▲
Other Property and Services	3.3.11	(134,253)	(132,290)	(108,977)	1,800	(107,177)	▲
		(2,717,120)	(2,667,685)	(3,974,478)	10,641	(3,963,837)	
<b>Non-Cash Amounts excluded from operating activities</b>							
Add back Depreciation		845,324	842,723	1,267,984	0	1,267,984	
Adjust (Profit)/Loss on Asset Disposal	3.5.2	0	(15,273)	0	(17,273)	(17,273)	▼
Adjust Provisions and Accruals		0	52	5,144	0	5,144	
<b>Amount attributable to operating activities</b>		1,042,203	1,165,917	688,137	83,055	771,192	
<b>Investing Activities</b>							
Grants, Subsidies and Contributions		327,945	327,945	826,022	0	826,022	
Proceeds from Disposal of Assets	3.5.2	52,000	67,273	52,000	17,000	69,000	▲
Proceeds from Self Supporting Loans		15,966	15,966	15,966	0	15,966	
Capital Acquisitions	3.5.3	(1,442,023)	(1,411,955)	(2,121,014)	30,143	(2,090,871)	▲
<b>Amount attributable to investing activities</b>		(1,046,112)	(1,000,772)	(1,227,026)	47,143	(1,179,883)	
<b>Financing Activities</b>							
Proceeds from New Borrowings		0	0	100,000	0	100,000	
Transfer from Reserves		0	0	240,856	0	240,856	
Repayment of Debentures		(58,803)	(58,803)	(102,462)	0	(102,462)	
Transfer to Reserves	3.6.2	(3,569)	(2,533)	(91,540)	(46,200)	(137,740)	▼
<b>Amount attributable to financing activities</b>		(62,372)	(61,336)	146,854	(46,200)	100,654	
<b>NET OPERATIONS, CAPITAL, FINANCING</b>		(66,281)	103,809	(392,035)	83,998	(308,037)	
<b>CLOSING FUNDING SURPLUS (DEFICIT)</b>	2(a)	325,754	490,721	0	78,875	78,875	

## KEY INFORMATION

▲▼ Indicates a variance between Year to Date (YTD) Budget and YTD Actual data as per the adopted materiality threshold. Refer Note 2 for an explanation of the reasons for the variance.

The material variance adopted by Council for the 2020/21 year is \$5,000 or 5% whichever is the greater.

This statement is to be read in conjunction with the accompanying Financial Statements and notes.

**NOTES TO AND FORMING PART OF THE BUDGET REVIEW REPORT  
FOR THE PERIOD ENDED 28 FEBRUARY 2021**

**NOTE 1  
BASIS OF PREPARATION**

The budget has been prepared in accordance with Australian Accounting Standards (as they apply to local governments and not-for-profit entities) and interpretations of the Australian Accounting Standards Board, and the Local Government Act 1995 and accompanying regulations. The Local Government (Financial Management) Regulations 1996 take precedence over Australian Accounting Standards. Regulation 16 prohibits a local government from recognising as assets Crown land that is a public thoroughfare, such as land under roads, and land not owned by but under the control or management of the local government, unless it is a golf course, showground, racecourse or recreational facility of State or regional significance. Consequently, some assets, including land under roads acquired on or after 1 July 2008, have not been recognised in this budget. This is not in accordance with the requirements of AASB 1051 Land Under Roads paragraph 15 and AASB 116 Property, Plant and Equipment paragraph 7.

Accounting policies which have been adopted in the preparation of this budget have been consistently applied unless stated otherwise. Except for cash flow and rate setting information, the budget has been prepared on the accrual basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and liabilities.

**THE LOCAL GOVERNMENT REPORTING**

**ENTITY**

All funds through which the Shire of Williams controls resources to carry on its functions have been included in the financial statements forming part of this budget review.

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 financial statements.

**CRITICAL ACCOUNTING ESTIMATES**

The preparation of a financial report in conformity with Australian Accounting Standards requires management to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets and liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

**2020-21 ACTUAL BALANCES**

Balances shown in this budget review report as 2020-21 Actual are as forecast at the time of budget review preparation and are subject to final adjustments.

**ROUNDING OFF FIGURES**

All figures shown in this budget review report are rounded to the nearest dollar.

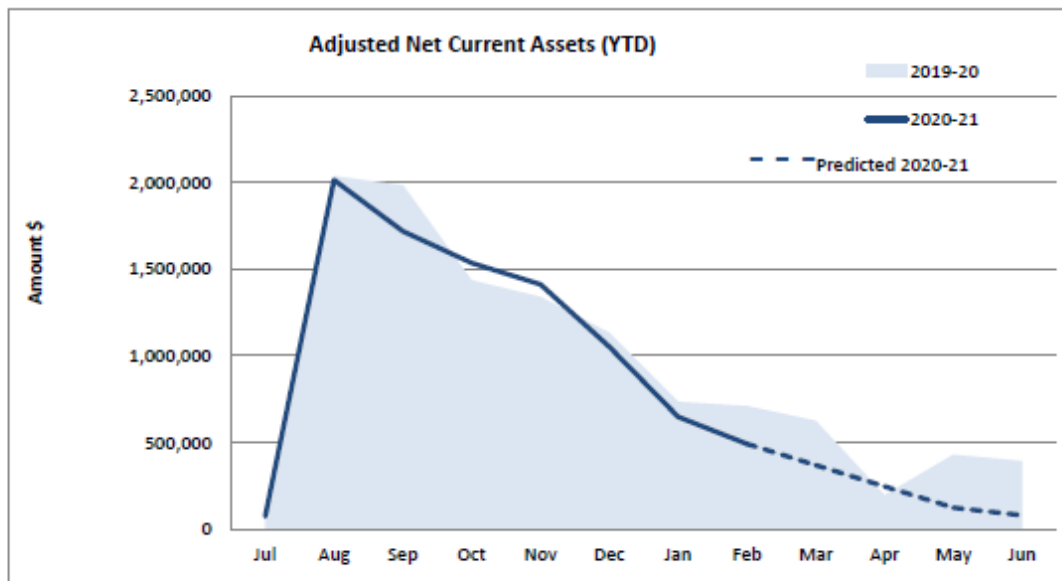
**BUDGET COMPARATIVE FIGURES**

Unless otherwise stated, the budget comparative figures shown in this budget review report relate to the original budget estimate for the relevant item of disclosure.

NOTES TO THE BUDGET REVIEW REPORT  
FOR THE PERIOD ENDED 28 FEBRUARY 2021

**NOTE 2(a)**  
**NET CURRENT FUNDING POSITION**

	Actual Year to Date 28 Feb 2021	Actual Opening 1 July 2020	Budget Opening 1 July 2020	Budget Closing 30 June 2021
	\$	\$	\$	\$
<b>Current Assets</b>				
Cash Unrestricted	958,698	854,072	872,477	382,061
Cash Restricted	767,390	764,857	764,858	615,542
Receivables	228,436	100,444	86,481	67,873
Accrued Revenue	0	3,608	0	0
Loans Receivable - clubs	0	15,966	15,966	16,473
Inventories	36,843	27,564	27,564	12,464
	<u>1,991,368</u>	<u>1,766,511</u>	<u>1,767,346</u>	<u>1,094,413</u>
<b>Less: Current Liabilities</b>				
Payables	(199,707)	(213,981)	(214,256)	(176,181)
Contract Liabilities	(197,674)	(48,870)	(48,870)	0
Provisions	(356,517)	(356,517)	(356,517)	(316,517)
Long Term Borrowings	(43,659)	(102,462)	(102,462)	(164,884)
	<u>(797,557)</u>	<u>(721,830)</u>	<u>(722,105)</u>	<u>(657,582)</u>
<b>Adjustments and exclusions permitted by FM Reg 32</b>				
Less: Cash Reserves	(767,390)	(764,857)	(764,858)	(615,542)
Less: Loans Receivables	0	(15,966)	(15,966)	(16,473)
Add: Leave Entitlements Cash Backed	20,643	20,591	20,592	25,736
Add: Movement in liabilities associated with	0	0	4,564	4,564
Add: Long Term Borrowings	43,659	102,462	102,462	164,884
	<u>490,722</u>	<u>386,911</u>	<u>392,035</u>	<u>0</u>
<b>Adjusted Net Current Assets</b>	<b>490,722</b>	<b>386,911</b>	<b>392,035</b>	<b>0</b>





**NOTES TO THE BUDGET REVIEW REPORT  
FOR THE PERIOD ENDED 28 FEBRUARY 2021**

**NOTE 2 (b)  
COMMENTS/NOTES - NET CURRENT FUNDING POSITION**

**SIGNIFICANT ACCOUNTING POLICIES**

**CASH AND CASH EQUIVALENTS**

Cash and cash equivalents include cash on hand, cash at bank, deposits available on demand with banks, other short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts.

Bank overdrafts are shown as short term borrowings in current liabilities.

**TRADE AND OTHER RECEIVABLES**

Trade and other receivables include amounts due from ratepayers for unpaid rates and service charges and other amounts due from third parties for goods sold and services performed in the ordinary course of business.

Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Collectability of trade and other 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.

**INVENTORIES**

**General**

Inventories are measured 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.

**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 Shire of Williams operational cycle. In the case of liabilities where the Shire of Williams 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 sale where it is held as non-current based on the Shire of Williams intentions to release for sale.

**CONTRACT ASSETS**

A contract asset is the right to consideration in exchange for goods or services the entity has transferred to a customer when that right is conditioned on something other than the passage of time.

**LOANS AND RECEIVABLES**

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss. Loans and receivables are included in current assets where they are expected to mature within 12 months after the end of the reporting period.

**TRADE AND OTHER PAYABLES**

Trade and other payables represent liabilities for goods and services provided to the Shire of Williams prior to the end of the financial year that are unpaid and arise when the Shire of Williams becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured, are recognised as a current liability and are normally paid within 30 days of recognition.

**CONTRACT LIABILITIES**

An entity's obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. Grants to acquire or construct recognisable non-financial assets to be controlled by the Shire of Williams are recognised as a liability until such time as the Shire of Williams satisfies its obligations under the agreement.

**EMPLOYEE BENEFITS**

**Short-Term Employee Benefits**

Provision is made for the Shire of Williams obligations for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Shire of Williams obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current financial trade and other payables in the statement position. Shire of Williams obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

**PROVISIONS**

Provisions are recognised when the Shire of Williams has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

**NOTES TO THE BUDGET REVIEW REPORT  
FOR THE PERIOD ENDED 28 FEBRUARY 2021**

**NOTE 3  
PREDICTED VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

The material variance adopted by Council for the 2020/21 year is \$5,000 or 5% whichever is the greater.

Reporting Program	Variance \$	
	Permanent	Timing
<b>3.1 Opening Fund Surplus (Deficit)</b>		
Minor variation due to accruals of revenue and expenses for year 2019/2020.	(5,123)	
<b>3.2 Operating Revenues</b>		
<b>3.2.1 Governance</b>		
No Material Variance		
<b>3.2.2 General Purpose Funding - Rates</b>		
No Material Variance		
<b>3.2.3 General Purpose Funding - Other</b>		
Increase in general purpose component of the Federal Assistance Grant.	8,995	
<b>3.2.4 Law, Order and Public Safety</b>		
Unbudgeted Road Safety Campaign Grant - Community Bash	4,159	
<b>3.2.5 Health</b>		
No Material Variance		
<b>3.2.6 Education and Welfare</b>		
Family Day Care income below budget partly due to reduced income over COVID-19 federal government stimulus for families. Secondly, target of 20 educators by December 2020 not meet. Current number of educators at 16.	(18,000)	
Childcare fees predicted to exceed budget expectations, due to increase numbers and utilisation rate.	50,000	
Reduced contribution for the purchase of "The Williams" Photocopier. Purchase did not go ahead therefore refer to saving in expenses.	(18,000)	
<b>3.2.7 Housing</b>		
No Material Variance		
<b>3.2.8 Community Amenities</b>		
Income for disposal of building rubble at Refuse Site higher than budget estimate.	5,800	
<b>3.2.9 Recreation and Culture</b>		
Increased income of contribution from Golf Club for mowing. This is due to increase hours and increased wages reflected in expenses.	5,000	
<b>3.2.10 Transport</b>		
Trade in of Isuzu Giga resulted in a "Profit on Sale of Asset".	17,273	
<b>3.2.11 Economic Services</b>		
Water sales unusually high due to volumes used by contractors for Main Roads roadworks on Albany Hwy.	6,000	
Building permits issued above budget estimates	5,900	
<b>3.2.12 Other Property and Services</b>		
Private Works income more than expected.	11,000	
Parental Leave reimbursements.	11,560	
<b>Predicted Variances Carried Forward</b>	<b>84,564</b>	<b>0</b>

**NOTES TO THE BUDGET REVIEW REPORT  
FOR THE PERIOD ENDED 28 FEBRUARY 2021**

**NOTE 3  
PREDICTED VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

The material variance adopted by Council for the 2020/21 year is \$5,000 or 5% whichever is the greater.

Predicted Variances Brought Forward	84,564	0
<b><u>3.3 Operating Expenses</u></b>		
<b>3.3.1 Governance</b>		
No Material Variance		
<b>3.3.2 General Purpose Funding</b>		
No Material Variance		
<b>3.3.3 Law, Order and Public Safety</b>		
Expenditure of grant received for Road Safety Campaign.	(4,159)	
<b>3.3.4 Health</b>		
No Material Variance		
<b>3.3.5 Education and Welfare</b>		
Purchase of "The Williams" photocopier did not proceed.	18,000	
<b>3.3.6 Housing</b>		
Depreciation re-allocation to Recreation & Culture.	11,500	
<b>3.3.7 Community Amenities</b>		
No Material Variance		
<b>3.3.8 Recreation and Culture</b>		
Increased hours required at Williams Golf Club, see corresponding increase in revenue.	(5,000)	
Increased hours required at the Hockey Field to fix drainage issues.	(10,000)	
Depreciation re-allocated from various programs. Nil change to overall budget of Depreciation.	(25,500)	
<b>3.3.9 Transport</b>		
Reduced expenditure on Townscaping and Drainage. Savings in wages allocated to recreation maintenance.	15,000	
Depreciation re-allocated to Recreation & Culture.	7,000	
<b>3.3.10 Economic Services</b>		
Water supply costs to exceed budget estimate due to high water usage by contractors for road works.	(6,000)	
Budget allocation to support local business during COVID-19 less than required.	8,000	
<b>3.3.11 Other Property and Services</b>		
Increase in costs for Private Works. See corresponding revenue of the same amount.	(11,000)	
Depreciation re-allocation to Recreation & Culture.	7,000	
Sundry Tools budget used to purchase a \$5,800 slasher, with the cost reflected in Capital Expenditure.	5,800	
<b>Predicted Variances Carried Forward</b>	<b>95,205</b>	<b>0</b>

**NOTES TO THE BUDGET REVIEW REPORT  
FOR THE PERIOD ENDED 28 FEBRUARY 2021**

**NOTE 3  
PREDICTED VARIANCES**

The material variance thresholds are adopted annually by Council as an indicator of whether the actual expenditure or revenue varies from the year to date budget materially.

The material variance adopted by Council for the 2020/21 year is \$5,000 or 5% whichever is the greater.

<b>Predicted Variances Brought Forward</b>	<b>95,205</b>	<b>0</b>
<b><u>3.4 Funding Balance Adjustment</u></b>		
<b>3.4.1 Depreciation</b>		
No Material Variance - note re-allocation through the Programs.	NIL	
<b>3.4.2 Profit/Loss on Disposals</b>		
Trade In of Isuzu Giga resulted in a "Profit on Sale of Asset".	(17,273)	
<b>3.4.3 Provisions and Accruals</b>		
No Material Variance		
<b>Predicted Variances Carried Forward</b>	<b>77,932</b>	<b>0</b>
<b>Predicted Variances Brought Forward</b>	<b>77,932</b>	<b>0</b>
<b><u>3.5 Investing Activities</u></b>		
<b>3.5.1 Grants, Subsidies and Contributions</b>		
No Material Variance		
<b>3.5.2 Proceeds from Disposal of Assets</b>		
Trade In of Isuzu Giga higher than budget estimate.	17,000	
<b>3.5.3 Capital Acquisitions</b>		
Replacement of Works Supervisor vehicle over budget.	(5,000)	
Savings on replacement of Tandem Truck	30,000	
Saving on purchase of New Multi Tyre Road Roller	10,000	
Purchase of Kubota Heavy Duty Slasher - allocated from Sundry Tools budget.	(5,800)	
Costs on Brooking Street Upgrade over budget due to drainage requirements. Funds from Drainage budget allocated to this job.	(13,000)	
Drainage budget re-allocated to Brooking Street Upgrade.	12,000	
Over budget on gravel sheeting - Culbin Boranning Road	(22,057)	
Saving on gravel sheeting - English Road	24,000	
<b><u>3.6 Financing</u></b>		
<b>3.6.1 Self-Supporting Loan Principal</b>		
No Material Variance		
<b>3.6.2 Transfer from Reserves</b>		
Reserve transfer for acquisition of plant to be reduced due to saving on trade-ins and purchase of new equipment.	(46,200)	
<b>3.6.3 Repayment of Debentures</b>		
No Material Variance		
<b>TOTAL Predicted Variances as per Annual Budget Review</b>	<b>78,875</b>	<b>0</b>

NOTES TO THE BUDGET REVIEW REPORT  
FOR THE PERIOD ENDED 28 FEBRUARY 2021

**NOTE 4**  
**BUDGET AMENDMENTS**

Amendments to original budget since budget adoption. Surplus/(Deficit)

GL Code	Description	Council Resolution	Classification	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance
				\$	\$	\$	\$
	<b>Budget Adoption</b>						
E168325	Eagle Sculpture	35/21	Opening Surplus				0
I113030	Contribution to Eagle Sculpture	35/21	Capital Expenditure			(20,454)	(20,454)
A01115	Art Acquisition Reserve	35/21	Capital Revenue		15,000		(5,454)
E042065	COVID-19 Safe Australia Day	60/21	Cashback Reserves		5,454		0
I042010	Contribution to COVID-19 Safe Australia Day	60/21	Operating Expenses			(18,449)	(18,449)
E168326	Water Tank - Glenfield Fire Shed	60/21	Operating Revenue		18,449		0
I051015	Contribution to Water Tank Glenfield Fire Shed	60/21	Capital Expenditure			(17,803)	(17,803)
E106160	PHCC - Feral Pig Bradication	60/21	Capital Revenue		17,803		0
I103101	PHCC - Feral Pig Bradication Grant	60/21	Operating Expenses			(12,669)	(12,669)
			Operating Revenue		12,669		0
				0	69,375	(69,375)	

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**5.0 Business of Urgent Nature**

**6.0 Closure of Meeting**

Cr Logie declared the meeting closed at 12.30pm.