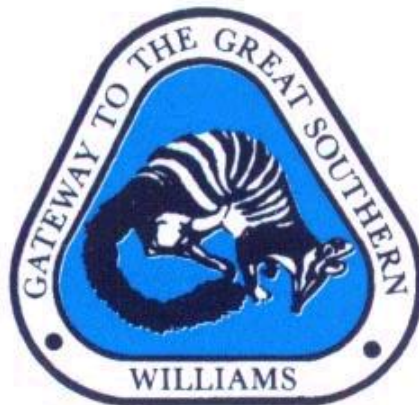


SHIRE OF WILLIAMS

***MINUTES AUDIT COMMITTEE MEETING
HELD ON WEDNESDAY 20TH MARCH 2019***



BUDGET REVIEW

***ANNUAL COMPLIANCE
RETURN***



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SEPARATE DOCUMENTS

1. Minutes
2. 2018-2019 Budget Review Report
3. 2018 Annual Compliance Return



SHIRE OF WILLIAMS

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All communications to be addressed to the Chief Executive Officer, P.O. Box 96, Williams, W.A. 6391.

Your Ref:

Our Ref:

NOTICE OF MEETING

You are respectfully advised that the next Audit Committee meeting will be held in the Council Chambers at 12.00 noon Wednesday 20th March 2019.

Yours faithfully

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.



AGENDA

1.0 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

CEO, Geoff McKeown declared the meeting open at 12.12pm and called for the members of the committee to elect a presiding member to chair the meeting.

Committee Decision

Harding/Baker

The Cr Medlen be the presiding member to chair the meeting.

Carried 3/0

Cr Medlen assumed the chair at 12.15pm

2.0 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE

(PREVIOUSLY APPROVED)

Cr Gilbert Medlen

Cr Robert Baker

Cr Simon Harding

Geoff McKeown

Chief Executive Officer

Cara Ryan

Manager of Finance

3.0 PUBLIC QUESTION TIME

4.0 PETITIONS / DEPUTATIONS / PRESENTATIONS

5.0 DECLARATIONS OF INTEREST

DECLARATION OF INTEREST	
Name / Position	
Item No. / Subject	
Type of Interest	



6.0 AUDIT COMMITTEE MEETING HELD 13TH NOVEMBER 2018

6.1 CONFIRMATION OF AUDIT COMMITTEE MEETING HELD 13TH NOVEMBER 2018

Officer's Recommendation

That the Minutes of the Audit Committee Meeting held on 13th November 2018, as previously circulated, be confirmed as a true and accurate record.

Committee Decision

Baker/Harding

That the Minutes of the Audit Committee Meeting held on 13th November 2018, as previously circulated, be confirmed as a true and accurate record.

Carried 3/0

7.0 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

8.0 REPORTS



8.1 MANAGER OF FINANCE REPORT

8.1.1 2018-2019 BUDGET REVIEW

Purpose

To consider and review the Budget Review as presented in the Statement of Financial Activity for the period ended 28th February 2019.

Background

A Statement of Financial Activity incorporating year to date budget variations and forecasts to 30th June 2019 for the period ending 28th February 2019 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 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

Unbudgeted revenue received from LGIS, due to a refund on insurance premiums on revaluation of Buildings and Infrastructure.	\$6,927
Insurance reimbursement for repairs to administration air-conditioner.	\$2,700
Reduced rental income on Munthoola Rd. Currently vacant.	(\$10,000)
Increase in General Purpose component of Federal Assistance Grant.	\$16,845
Reduction in Local Road Grant component of Federal Assistance Grant.	(\$26,033)
Fees and charges relating to Childcare below budget expectations.	(\$34,679)
Additional funding received from 17/18 Federal Sustainability Grant.	\$12,930
Increase in refuse site access fees.	\$11,137
Unbudgeted revenue received for works associated with the NRM Grant.	\$2,200
Main Roads Direct Grant reinstated to 16/17 levels.	\$28,921
Planning fees received exceeding budget expectations	\$10,000
TOTAL ADJUSTED REVENUE	\$20,948



EXPENDITURE

Saving on staff costs associated with running the Childcare Centre.	\$11,500
Increase expenditure on swimming pool maintenance.	(\$7,000)
Saving on insurance costs for Workers Compensation cover.	\$6,000
TOTAL ADJUSTED EXPENDITURE	\$10,500

CAPITAL REVENUE

Funding for Albany Hwy footpath postponed to 2019/2020.	(\$35,000)
Trade-in of Prime Mover exceeded budget expectations.	\$10,512
CAPITAL FUNDING	(\$24,488)

CAPITAL EXPENDITURE

Slightly over budget with Lions Park Redevelopment of 4%.	(\$32,029)
Construction of footpath on Albany Hwy postponed to 2019/2020.	\$70,084
Saving on purchase of Prime Mover.	\$44,900
CAPITAL EXPENDITURE	\$82,955

OTHER ITEMS

Increase in Opening Surplus	\$4,684
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Financial Implications

Due to the combined value of the above adjustments the balanced budget is now predicted to be a surplus of \$94,599. This predicted surplus includes a timing adjustment of \$35,084, which will be required to be carried over to the 2019-2020 Budget. This is for the construction of a footpath along Albany Hwy to which grant funding has been approved.

Strategic Implications

This item aligns with the community’s vision and aspirations as contained in the Shire of Williams Strategic Community Plan 2017-2032. Specifically it relates to the following strategies:

CL 2.2 Maintain accountability, transparency and financial responsibility.

Voting Requirements

Simple Majority

Officer’s Recommendation

That the 2018-2019 Budget Review completed by senior staff be recommended to Council for adoption.



Committee Decision

Harding/Baker

That the 2018-2019 Budget Review completed by senior staff be recommended to Council for adoption.

Carried 3/0

8.2 CHIEF EXECUTIVE OFFICER REPORT

8.2.1 2018 ANNUAL COMPLIANCE AUDIT RETURN

Purpose

To review the Annual Compliance Audit return for the period 1 January 2018 to 31 December 2018, as presented, and report to Council the results of the review.

Background

The Annual Compliance Audit Return for the period 1 January 2018 to 31 December 2018, 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 and covers the 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 presented to 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 31st March 2019.

Comment

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

There were no areas where non-compliance was noted. However, comment has been made in relation to one occasion where an absolute majority resolution was needed. Although an absolute majority of votes was identified, the resolution appearing in the Minutes states "Carried" rather than "Carried by Absolute Majority". Attention will be given to this matter to ensure the correct notation is recorded in future 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 recommends that Council adopt the 2018 Compliance Audit Return and endorses the certification by the Deputy Shire President and the Chief Executive Officer for submission to the Department of Local, Sport and Cultural Industries.

Committee Decision

Baker/Harding

That the Audit Committee recommends that Council adopt the 2018 Compliance Audit Return and endorses the certification by the Deputy Shire President and the Chief Executive Officer for submission to the Department of Local, Sport and Cultural Industries.

Carried 3/0

9.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING.

The CEO, Geoff McKeown advised the Committee that as the Audit Committees Terms of Reference refer to a membership of (4) elected members that the Committee may wish to recommend to Council that they appoint a fourth member.

Committee Decision

Baker/Harding

The Audit Committee recommends to Council that they appoint a fourth member to the Audit Committee.

Carried 3/0



10.0 INFORMATION SESSION

11.0 CLOSURE OF MEETING

Cr Medlen declared the meeting closed at 12.49pm.