



MINUTES

For the Audit Committee Meeting

Held on the 31st March 2023

Notice of Meeting

The next Audit Committee Meeting for the Shire of Yalgoo will be held on Friday 31st March 2023 in the Paynes Find Community Centre, Payne Find commencing at 10.00 am.



Ian Holland

CHIEF EXECUTIVE OFFICER

31st March 2023

Disclaimer:

The Shire of Yalgoo gives notice to members of the public that any decisions made at the meeting, can be revoked, pursuant to the Local Government Act 1995. Therefore members of the public should not rely on any decisions until formal notification in writing by Council has been received. Any plans or documents in agendas and minutes may be subject to copyright. The express permission of the copyright owner must be obtained before copying any copyright material.

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1 DECLARATION OF OPENING

Due to the Shire President and Deputy Shire President being unavailable Councillors determined unanimously that Cr Raul Valenzuela would Chair the Meeting.

Shire Councillor Raul Valenzuela welcomed those in attendance and declared the meeting open at 10.15am.

2 ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

In accordance with section 14 of the Local Government (Administration) Regulations 1996 “Meetings held by electronic means in public health emergency or state of emergency (Act s. 5.25(1)(ba))”, the President to declare that this Meeting may take place via instantaneous communication. All Councillors and staff are to be available either via telephone (teleconference) or in person.

Councillors

Cr Raul Valenzuela
Cr Stanley Willock
Cr Tamisha Hodder
Cr Gail Simpson

Chief Executive Officer

Ian Holland

Deputy CEO

Thomas Gorman

Executive Assistant

Diane Hodder

APOLOGIES

Cr Gail Trenfield

LEAVE OF ABSENCE

Cr Gregory Payne

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3 DISCLOSURE OF INTERESTS

Councilors and Officers are reminded of the requirements of s5.65 of the Local Government Act 1995, to verbally disclose any interest during the meeting before the matter is discussed or to provide in writing the nature of the interest to the CEO before the meeting.

4 CONFIRMATION OF MINUTES

4.1 MINUTES OF THE AUDIT COMMITTEE MEETING – 25th March 2022

RECOMMENDATION

That the minutes of the Audit Committee Meeting held on the 25th March 2022 as attached be confirmed as a true and correct record.

COMMITTEE RESOLUTION – A2023-03-01

Moved: Cr Stanley Willock Seconded: Cr Tamisha Hodder

That the minutes of the Audit Committee Meeting held on the 25th March 2022 as attached be confirmed as a true and correct record.

CARRIED: 4/0

5 BUSINESS AS NOTIFIED

5.1 REPORT ON COMPLIANCE AUDIT RETURN 2022

Applicant:	Shire of Yalgoo
Date:	27 March 2023
Reporting Officer:	Ian Holland Chief Executive Officer
Disclosure of Interest:	NIL
Attachments:	2022 COMPLIANCE AUDIT RETURN

MATTER FOR CONSIDERATION

That Council give consideration to the Compliance Audit Return 2022 and recommend to Council that the Compliance Audit Return be adopted and certified by the President and Chief Executive Officer and a copy to be forwarded to the Department of Local Government Sport and Culture Industries by 31st March 2023.

BACKGROUND

Regulation 14 and 15 of the Local Government (Audit) Regulations 1996 requires that the Council carry out a Compliance Audit for the period 1st January to the 31st December in each year and be submitted to the Executive Director by the 31st March of the following year.

STATUTORY ENVIRONMENT

Local Government Act 1995

7.13. Regulations as to audits

- (i) requiring local governments to carry out, in the prescribed manner and in a form approved by the Minister, an audit of compliance with such statutory requirements as are prescribed whether those requirements are —
- (ii) of a financial nature or not; or
- (iii) under this Act or another written law.

Local Government (Audit) Regulations 1996

14. Compliance audits by local governments

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.

(3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.

- (4) (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —
- (5) (a) presented to the council at a meeting of the council; and
- (6) (b) adopted by the council; and
- (7) (c) recorded in the minutes of the meeting at which it is
- (8) adopted.

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15. Compliance audit return, certified copy of etc. to be given to Executive Director

(1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —

(a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and

(b) any additional information explaining or qualifying the compliance audit, is to be submitted to the Executive Director by 31 March next following the period to which the return relates.

(2) In this regulation —

certified in relation to a compliance audit return means signed by —

(a) the mayor or president; and

(b) the CEO.

BUSINESS IMPLICATIONS

Nil

CONSULTATION

Nil

COMMENT

The Shire of Yalgoo is required to carry out an Annual Compliance Audit for the period 1st January 2022 to 31st of December 2022. The Compliance Return for 2022 has been completed online on the Department of Local Government Sport and Culture Industries website and is attached for consideration.

The Compliance Return is to be adopted by Council and certified by the President and the Chief Executive Officer along with a copy of the relevant section of the Minutes be forwarded to the Director General by the 31st March 2023.

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VOTING REQUIREMENTS

ABSOLUTE MAJORITY

COMMITTEE RECOMMENDATION – A2023-03-02

Moved: Cr Gail Simpson

Second: Cr Stanley Willock

That the Audit Committee accept the Compliance Audit Return and recommend its presentation to Council.

CARRIED: 4/0

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5.2 REPORT ON 2022-23 ANNUAL BUDGET REVIEW

Author:	Dominic Carbone
Interest Declared:	No interest to disclose
Date:	27 March 2023
Attachments:	Statement of Financial Activities. Statement of Surplus/ Deficit, Statement of Closing Funds, Budget Analysis Worksheets

Matter for Consideration

That council adopt the 2022-23 Annual Budget Review

Background

Regulation 33A of the Local Government Act (Financial Management) Regulations 1996 requires that a Local Government between 1st February and 31st March in each year carry out a review of its Annual Budget for that year. A copy of the review and the determination is to be provided to the Department of Local Government within 30 days of the adoption of the review.

Council adopted a 10% or \$10,000.00 variance or whatever is the greater for the reporting of material variances identified in the annual budget review

Statutory Environment

33A. Review of budget

(1) Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.

(2A) The review of an annual budget for a financial year must —

(a) consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and

(b) consider the local government's financial position as at the date of the review; and

(c) review the outcomes for the end of that financial year that are forecast in the budget.

(2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.

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(3) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.

*Absolute majority required.

(4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

6.8. Expenditure from municipal fund not included in annual budget

(1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —

(a) is incurred in a financial year before the adoption of the annual budget by the local government; or

(b) is authorised in advance by resolution*; or

(c) is authorised in advance by the mayor or president in an emergency.

(1a) In subsection (1) —

additional purpose means a purpose for which no expenditure estimate is included in the local government's annual budget.

(2) Where expenditure has been incurred by a local government —

(a) pursuant to subsection (1)(a), it is to be included in the annual budget for that financial year; and

(b) pursuant to subsection (1)(c), it is to be reported to the next ordinary meeting of the council.

Business Implications

Nil

Consultation

Dominic Carbone

Comment

A review of the Shire's 2022-23 Annual Budget has been undertaken in accordance with the Financial Management Regulations and the following worksheets have been prepared;

Statement of Financial Activities (refer attachments)

Statement of Surplus/ Defecate (refer attachments)

Statement of Closing Funds (refer attachments)

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Budget analysis Worksheets (refer attachments)

- 1) An increase in operating revenue amounting to \$2,895,850 comprising of:

REVENUE

Decrease in rates levied	(\$61,275)
Increase in interim rating	\$395,000
Increase in non payment penalty interest	\$25,000
Decrease in staff housing rental	(\$2,850)
Increase in town planning fees	\$4,142
Decrease in grant - CRSFF Resurface Rage Cage, Tennis and Basketball	(\$16,341)
Increase in hire charges - Core Stadium	\$1,850
Increase in other revenue - MEEDAC	\$3,000
Decrease in grant - Roads to Recovery - Yalgoo/Nighan Road	(\$377,293)
Increase in grant - DFES Flood Damage	\$2,940,795
Increase in Emu Cup Funding	\$6,261
Decrease in caravan park fees and charges	(\$35,000)
Increase in private works charges	\$11,188
Increase other minor variances	\$1,373
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	\$2,895,850
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- 2) An increase in operating expenditure amounting to \$2,783,266 comprising of:

EXPENDITURE

Increase in debt collection costs	(\$10,000)
Increase in rates refund	(\$4,000)
Decrease in admin. Allocation various programmes	\$106,222
Increase in elected members conference expenses	(\$10,000)
Increase in fire prevention expenses	(\$12,500)

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Decrease in staff housing insurance expenses	\$6,108
Decrease in staff housing repairs and maintenance	\$25,355
Decrease in public conveniences maintenance	\$7,668
Decrease in Shamrock Street Park maintenance	\$11,004
Decrease in railway station building and ground maintenance	\$6,287
Increase in Payne's Find complex maintenance	(\$15,000)
Increase in Yalgoo Hub - covered area maintenance	(\$13,345)
Increase in Rifle Range - gravel bund improvements	(\$5,000)
Decrease in water park maintenance	\$13,017
Increase in community oval pavilion maintenance	(\$15,000)
Increase in Anglican Church maintenance	(\$10,000)
Decrease in art centre operations and maintenance	(\$17,516)
Decrease in heritage and tourism planning and projects	\$60,000
Increase in heritage replacement signs	(\$8,000)
Decrease in footpaths/crossover maintenance	\$5,000
Decrease in street trees and watering	\$5,272
Increase in flood damage costs refer grant above	(\$2,940,795)
Increase in Payne's Find airstrip maintenance	(\$70,000)
Decrease in caravan park operations	\$45,069
Decrease in Yalgoo race track expenses	\$10,000
Decrease in Yalgoo race contributions	\$10,000
Decrease in Jokers Tunnel maintenance	\$7,802
Decrease in Yalgoo Lookout maintenance	\$3,500
Decrease in consultancy fees building control	\$7,000
Decrease other minor variances	\$18,586
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	(\$2,783,266)
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3)	Gain or loss on sale of assets:	
	Increase in gain on disposal of assets	\$5,321
		\$5,321
4)	Furniture and Equipment	
	Photocopier - Replacement (new)	(\$35,000)
	Minor over expenditure - computer hardware, systems upgrade and phone	(\$5,000)
		(\$40,000)
5)	Land and Buildings	
	Lighting -Admin Centre (new)	(\$12,000)
	Additional expend. on caravan park 2 self contained unit accommodation	(\$6,347)
	Caravan Park – Air-conditioners to self contained unit accommodation (new)	(\$8,000)
		(\$26,347)
6)	Plant and Equipment	
	Over expenditure - traffic lights pair	(\$1,525)
	Savings - multi tyred roller	\$44,000
	Savings - forklift	\$24,662
	Over expenditure - works foreman vehicle	(\$30,000)
		\$37,137
7)	Roads Infrastructure	
	Gibbons Street Intersection - MRWA Highway design (new)	(\$20,000)
	Less expenditure on roads to recovery -Yalgoo/Nighan rd. grant postponed	\$377,293
		\$357,293
8)	Infrastructure Recreation Facilities	
		\$0

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9)	Infrastructure Other	\$0
	Reserve	
10)	Funds	
	Transfer to and from Plant Reserve (new)	(\$500,000)
		(\$500,000)
10)	Book Value Of Assets Sold Written Back	\$21,828
		\$21,828
11)	Surplus Brought Forward	
	Variance to 2021-22 end of year accruals	\$240,720
		\$240,720
	Net Estimated Variance (Surplus)	\$208,536

Council is requested to give consideration to and adopt the Annual Budget Review and authorise the following expenditure pursuant to Section 6.86 (1)(b) of the Local Government Act 1995.

- Rifle Range, improvements to gravel bund	\$ 5,000
- Gibbons Street Intersection – MRWA design	\$ 20,000
- Lighting Administration Centre	\$ 12,000
- Photocopier	\$ 35,000
- Air-conditioners Caravan Park self contained units	\$ 8,000
- Net increase in transfer to and from Plant Reserve fund	\$500,000

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Voting Requirements

Absolute Majority.

COMMITTEE RESOLUTION – A2023-03-03

Moved: Gail Simpson

Second: Stanley Willock

Report on 2022-23 Annual Budget Review

That the Audit Committee accept the Annual Budget Review and recommend its presentation to Council

CARRIED: 4/0

6 URGENT BUSINESS
NIL

7 MEETING CLOSURE

There being no further business the Deputy Shire President declared the Ordinary Council Meeting closed at 10.37am.