



**FINANCE, AUDIT AND
REVIEW COMMITTEE
MEETING**

WEDNESDAY, 12 FEBRUARY 2020

MINUTES

SHIRE OF WONGAN-BALLIDU

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FINANCE, AUDIT REVIEW COMMITTEE MEETING MINUTES

**Held in Council Chambers, Cnr Elphin Crescent and
Quinlan Street, Wongan Hills
Wednesday, 12 February 2020
Commenced at 4.00pm**

1. DECLARATION OF OPENING

The Chief Executive Officer, Stuart Taylor, declared the meeting open at 4.00 pm.

The Chief Executive Officer called for nominations for Chairperson.

1.1 ELECTION OF CHAIRPERSON

Cr Brad West nominated Cr Eion Ganzer, who accepted the nomination.

MOVED: Cr West SECONDED: Cr Boekeman

That Cr Eion Ganzer be elected Chairperson of the Finance, Audit Review Committee.

**CARRIED: 3/0
RESOLUTION: 010220**

2. ATTENDANCE & APOLOGIES

Attendees:

Cr Eion Ganzer	Councillor / Chairperson
Cr Stuart Boekeman	Councillor
Cr Brad West	Councillor

Staff:

Stuart Taylor	Chief Executive Officer
Alan Hart	Deputy Chief Executive Officer

3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

3.1 CONFIRMATION OF AUDIT COMMITTEE MEETING HELD ON 27 AUGUST 2019

MOVED: Cr West SECONDED: Cr Boekeman

That the minutes of the Finance, Audit Review Committee Meeting held on Tuesday, 27 August 2019 be confirmed as a true and correct record of the proceedings.

**CARRIED: 3/0
RESOLUTION: 020220**

4. STAFF REPORTS:

4.1 COMPLIANCE AUDIT RETURN 2019

FILE REFERENCE:	F1.7.1
REPORT DATE:	11 February 2020
APPLICANT/PROPOSER:	N/A
OFFICER DISCLOSURE OF INTEREST:	Nil
PREVIOUS MEETING REFERENCES:	Nil
AUTHOR:	Alan Hart – Deputy Chief Executive Officer
ATTACHMENTS:	Compliance Audit Return for 2019

PURPOSE OF REPORT:

To consider and adopt the Compliance Audit Return for 2019.

BACKGROUND:

Council is required to carry out a Compliance Audit Return ('CAR') for the period 1 January 2019 to 31 December 2019 against the requirements included in the 2019 Compliance Audit Return.

The Compliance Audit Return is to be:

- a) presented to Council at a meeting of the Council;
- b) adopted by the Council; and
- c) recorded in the minutes of the meeting at which it is adopted.

The adopted Compliance Audit Return is to be submitted to the Director General, Department of Local Government and Communities by 31 March 2020.

COMMENT:

Regulation 14 requires that the local government's Audit Committee now reviews the CAR and reports the results of that review to the Council prior to adoption by Council and the March 2020 submission to the Department.

POLICY REQUIREMENTS:

There are no known legislative requirements related to this item.

LEGISLATIVE REQUIREMENTS:

Local Government Act 1995 Section 7.13(i)
Local Government (Audit) Regulations Regulation 13, 14 and 15

STRATEGIC IMPLICATIONS:

There are no strategic implications in relation to this item.

SUSTAINABILITY IMPLICATIONS:

- **Environment**
There are no known environmental impacts associated with this proposal.

- **Economic**
There are no known economic impacts associated with this proposal.
- **Social**
There are no known social implications associated with this proposal.

FINANCIAL IMPLICATIONS:

There are no financial implications in relation to this item.

VOTING REQUIREMENTS:

ABSOLUTE MAJORITY REQUIRED: Yes

MOVED: Cr Boekeman SECONDED: Cr West

The Committee RECOMMENDED that Council adopt the 2019 Compliance Audit Return as presented.

**CARRIED BY ABSOLUTE MAJORITY: 3/0
RESOLUTION: 030220**

4.2 BUDGET REVIEW 2019-2020

FILE REFERENCE:	F1.3.2
REPORT DATE:	11 February 2020
APPLICANT/PROPONENT:	N/A
OFFICER DISCLOSURE OF INTEREST	NIL
PREVIOUS MEETING REFERENCES:	BUDGET 2019-2020
AUTHOR:	Alan Hart – Deputy Chief Executive Officer
ATTACHMENTS:	Separate Attachment - Budget Review 2019-20

PURPOSE OF REPORT:

To consider and adopt the Budget Review for the period of 1 July 2019 to 31 December 2019.

BACKGROUND:

Local Governments are required to conduct a budget review between 1 January and 31 March each financial year. The budget review is to be submitted to Council within 30 days of the review for Council to consider and determine whether to adopt the review, and any recommendations made within the review.

The budget review is a comparison of the year to date actual results with the adopted or amended budget. The original budget was adopted in July 2019. The purpose of the budget review in accordance with the legislation is to:-

1. Consider the financial performance of the Council for the 2019/20 financial year to-date;
2. Consider the Council's financial position at the date of review; and
3. Review the estimated financial position at the end of the financial year.

COMMENT:

There is no statutory format to present the budget review to Council. The report together with the standard monthly financial report, with an additional column detailing the amended budget, forms the budget review. The use of the standard monthly reports is to ensure consistency in reporting to Council in a format that is familiar to Council.

The 2019/20 budget remains within overall original estimates. Management forecasts an end of year surplus to remain the same as the adopted budget. A summary of changes to the annual budget are as follows:

1. Surplus funds carried forward from the 2019/20 financial year was \$324,986 more than budget forecasts;
2. Operating Income will increase by \$180,843;
3. Operating Expenditure will increase by \$25,350;
4. Capital/Infrastructure Expenditure will increase by \$5,030;
5. Transfers to Reserves will increase by \$384,399;
6. Increase the Operational Surplus at 30 June 2020 to \$25,000; and
7. The balance of the surplus funds (\$66,050) to be transferred to the Sporting Co-Location Reserve.

A copy of the review and Council decision is to be provided to the Department of Local Government, Sport and Cultural Industries within 30 days of the decision by Council.

POLICY REQUIREMENTS:

There are no policy requirements in relation to this item.

LEGISLATIVE REQUIREMENTS:

Regulation 33A Local Government (Financial Management) Regulations 1996.

STRATEGIC IMPLICATIONS:

The budget review helps determine and document any significant variations to the adopted annual budget.

This is necessary to facilitate appropriate financial control and to ensure that Council's financial resources are allocated in the most effective manner.

SUSTAINABILITY IMPLICATIONS:

- **Environment**
There are no known significant environmental implications associated with this proposal
- **Economic**
The Budget review process provides a timely indication of ability of the local government to achieve the budget performance for the year and timing allows corrective actions if required prior to 30 June.
- **Social**
There are no known social implications associated with this item.

FINANCIAL IMPLICATIONS:

The purpose of the budget review is to ensure that the Income and Expenditure for the current year is monitored in line with the adopted budget and to make amendments to the budget or scope of works as required.

VOTING REQUIREMENTS:

ABSOLUTE MAJORITY REQUIRED: Yes

MOVED: Cr West SECONDED: Cr Boekeman

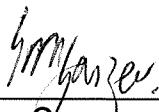
The Committee ACCEPTED the attached 2019-2020 Budget Review Report, Amended Rate Setting Statement and Reserve Transfers Budget.

**CARRIED BY ABSOLUTE MAJORITY: 3/0
RESOLUTION: 040220**

5. MEETING CLOSURE

There being no further business, the Chairperson Cr Ganzer declared the meeting closed at 4.40 pm.

These minutes are to be confirmed at the next Finance, Audit Review Committee Meeting.

Signed: 
Cr Eion Ganzer
Chairperson

Date: 10/6/20