

Shire of Perenjori

MINUTES

Audit Committee Meeting

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Held in the Shire of Perenjori Council Chambers, Fowler Street, Perenjori on the 21st December 2017,
commenced at 11.00 am.

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17121 PRELIMINARIES

Cr L Butler declared the meeting open at 11.01 am.

17121.1 RECORD OF ATTENDANCE AND APOLOGIES

Cr L Butler

Cr L Smith

Cr J Hirsch

Cr K Pohl

Ali Mills – CEO

Rose Jones – SFO

Ron Back – Via Phone

Travis Bate – RSM Via Phone

17121.2 CONFIRMATION OF MINUTES

That the Minutes from the Audit Committee Meeting of the 16th March 2017 be confirmed as a true and correct record of that meeting.

Officer Recommendation – Item 17121.2

That Council accepts the Minutes from the Audit Committee Meeting of the 16th March 2017 as a true and correct record of that Meeting.

Committee Resolution – Item 17121.2

Moved: Cr Hirsch

Seconded: Cr Pohl

That Council accepts the Minutes from the Audit Committee Meeting of the 16th March 2017 as a true and correct record of that Meeting.

Carried: 5/0

17122 ADOPTION OF ANNUAL REPORT 2016/17

APPLICANT:	SHIRE OF PERENJORI
FILE:	NIL
DISCLOSURE OF INTEREST:	NIL
AUTHOR:	ALI MILLS - CEO
RESPONSIBLE OFFICER	ALI MILLS - CEO
REPORT DATE:	21ST DECEMBER 2017
ATTACHMENTS	ANNUAL REPORT
<u>Executive Summary</u>	

The Annual Report for the 2016/17 financial year is presented for Council's endorsement, along with the proposed date for the annual electors meeting.

Background

An Annual Report is required to be produced every year after the audit has been completed and upon receipt of the Audit Report.

The 2016/2017 Annual Report has been prepared in accordance with Section 5.53 of the Local Government Act and includes the audited Annual Financial Report.

The Annual Report highlights the Shire of Perenjori achievements in 2016/2017.

For statutory compliance a local government must:

- If the Auditors Report is not available in time for the annual report to be accepted by 31 December, the annual report is to be accepted no later than 2 months after the auditor's report becomes available.
- Advertise the availability of the annual report.
- The date of the Annual Electors Meeting is also required to be set. This meeting must be held within 56 days of acceptance of the Annual Report, which is by 15th February 2018.
- It is proposed that the annual meeting of Electors be held at 5.00 pm on Tuesday 13th February 2017 at the Latham Community Centre.
- Fourteen days public notice of the meeting is also required.

The Shire is required to prepare annual financial statements by 30th September and the auditor is to prepare a report in respect of the Financial Statements by 31st December each year.

Eight matters have been raised by the auditors which need addressing (attached).

Table 1: Matters identified by Auditors which need addressing:

MATTER	ACTION TO BE TAKEN	WHO TO ACTION	TIMEFRAME	CURRENT STATUS
Non-compliance with Tender Regulations – Granny Flat Modular Accommodation	Tender Regulations adhered to.	CEO & Managers	Immediate	In place
Non-compliance with Tender Regulations – Purchases foreseeably above tender limit	Purchasing policy and Tender Regulations to be adhered to.	CEO & Managers	Immediate	Aggregate tender completed. CEO & Managers aware
Non-compliance with internal purchasing policy	Purchasing policy to be adhered to. Training of all purchasing officer's. Authority to Creditor clerk to return incorrect items to Officer's.	Purchasing Officer's	Immediate	Workshop to be conducted in New Year by 30 th January 2018.

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Credit Card supporting documentation	Ensure all information provided before presenting to President for signing.	Creditor Clerk, CEO and Admin assist.	Immediate	In progress
Review of journals	Policy developed to ensure regular reviews are conducted.	Senior Finance Officer & CEO	5 th February 2018	In progress
Ratio benchmarks	Budgeting process to consider own income levels and capital expenditure projects. Review ratios before adopting.	CEO & Council	Budget process March – June 2018	CEO aware
Overhead allocation ²	Periodic review of allocations of overheads by an independent person. Policy and procedure to be developed.	CEO & SFO	5 th February 2018	In progress

Statutory EnvironmentLocal Government Act 1995 – s 5.27 – *Electors General Meetings*

- (1) A general meeting of the electors of a district is to be held once every financial year.
- (2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.
- (3) The matters to be discussed at general electors' meetings are to be those prescribed.

Policy Implications

Nil

Financial Implications

Nil

Strategic Implications

Area 5: Investing in Councils Capacity – Our Leadership

Goal: Strengthen the Shire's position as an innovative, independent local Government providing excellence in all areas of governance, management and leadership

Risk Management

Risk Statement	Level of Risk	Risk Mitigation Strategy
Risk of non-compliance with legislation.	A moderate consequence which is possible resulting in medium level of risk.	The audit is conducted in time and the proposed Electors Committee is planned to be compliant also.

Consultation

RSM

CEO

SFO

MIS

Megan Shirt

Comment

The annual report provides the opportunity for the Shire to summarise for the community the achievements of the Local Government and provide for the community the outcome of the annual audit.

Voting Requirements – Absolute Majority

Travis Bate left – 11.53 pm.

Officer Recommendation – Item 17122

That Council by absolute majority and by virtue of section 5.54 of the Local Government Act 1995 resolves to:

1. Adopt the 2016/2017 Annual Report for the financial period ending 30 June 2017 for the Shire of Perenjori as presented and attached; and
2. Confirm the date for the Annual Electors Meeting for Tuesday 13th February 2017 in Latham and authorise the statutory advertising
3. Charge the CEO to ensure outstanding matters raised by the auditor are addressed and progress reported on to the Audit Committee and/or Council

Committee Resolution – Item 17122**Moved: Ron Back****Seconded: Cr Hirsch**

That Council by absolute majority and by virtue of section 5.54 of the Local Government Act 1995 resolves to:

- 1. Adopt the 2016/2017 Annual Report for the financial period ending 30 June 2017 for the Shire of Perenjori as presented and attached; and**
- 2. Confirm the date for the Annual Electors Meeting for Tuesday 13th February 2017 in Latham and authorise the statutory advertising.**

Carried: 5/0**Moved: Cr L Smith****Seconded: Cr K Pohl**

- 3. Charge the CEO to ensure outstanding matters raised by the auditor are addressed and progress reported on to the Audit Committee and/or Council**

Carried: 5/0**17122 OTHER BUSINESS**

17122.1 DATE OF NEXT MEETING / MEETINGS

March 2018.

17122.2 CLOSURE

Cr L Butler declared the meeting closed at 12.10 pm.