

WAGAIT SHIRE COUNCIL

**AGENDA
AUDIT COMMITTEE MEETING**

**COUNCIL CHAMBERS
LOT 62, WAGAIT TOWER ROAD
Time 2:00PM**

Thursday 8 March 2018



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1.0 Present:

2.0 Opening of the Meeting:

The Chairperson Russell Anderson declared the meeting open at and welcomes all to the meeting.

The Chair advises that the meeting will be audio taped for minute taking purposes as authorised by the Chief Executive Officer.

Vice-President Trish McIntyre submitted her resignation from the Audit Committee to councillors at the Ordinary Council Meeting held 20 February 2018. Council passed a resolution nominating Cr Neil White to become a member of the Audit Committee.

3.0 Apologies:

Resolution No. 2018/

That the apology of be accepted.

Moved:

Seconded:

4.0 Confirmation of previous Minutes for the Audit Committee held Tuesday 17 October 2017.

WAGAIT SHIRE COUNCIL

**UNAPPROVED DRAFT MINUTES of
AUDIT COMMITTEE MEETING**

**COUNCIL CHAMBERS
LOT 62, WAGAIT TOWER ROAD**

Tuesday 17 October 2017



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1.0 Present:

Mr Russell Anderson
President Peter Clee
Vice-President Trish McIntyre

Staff and Others Present

Mark Sidey – Chief Executive Officer
Pam Wanrooy – Office Manager
Colin James - Auditor

2.0 Opening of the meeting:

- 2.1** The Chairperson Russell Anderson declared the meeting open at 3.40pm and welcomed all in attendance.

With the permission of the Audit Committee, Chairperson Russell Anderson welcomes the Auditor Colin James from Lowrys Accounts to the meeting and invites him to highlight the Audit and statement and answer all questions raised by members during the meeting.

3.0 Apologies and Leave of Absence

Mr Barry Bamford

4.0 Confirmation of previous Minutes for the Audit Committee Meeting:

Chairperson Russell Anderson recommends that it should be taken to the Council meeting that all Councillors must read what is before them and that it is the CEO's responsibility to highlight to the councillors the consequences of their decision making and to inform them that they are responsible for their own decision making.

Resolution No. 2018/07

That the minutes of the Audit Committee Meeting of 29 March 2017, be confirmed by committee members as a true and correct record.

Moved: President Peter Clee

Seconded: Vice-President Trish McIntyre

5.0 Business arising from the previous Minutes:

Nil - With no business arising, Chairperson Russell Anderson by-passes all other business to look at the Final Audit statement subject to discussions and to discuss AASB124 Related Party Disclosure which came into effect on 1st July 2016.

6.0 General Business

Related Party Disclosure – Some councils have a policy and a document that all senior staff and council members sign a document stating what disclosures they wish, i.e installing a CB Tower on council property by using a council contractors, this is a

disclosure that council has to make in the document and this becomes part of the audited document.

Colin James – Lowry's Accountant's

Asset Register - It is recommended that Council re-evaluate their asset register (buildings). The appropriate timeframe is to do the re-evaluation at least once every 3 years to keep this up to date.

Grants and contributions – There were some unexpected grants (grants received in advance) in the balance sheet which was received in late June 2017 for 2018 financial year. The grant in advance received in late 2017 is to be expended during the 2018 financial year. The unexpected grant in the balance sheet should be accounted for in 2018 and entered as grants in advance rather than grants received.

Balance Sheet – There is \$190,000 (\$180,000 in the Roads Reserve and \$10,000 in the Motor Vehicle Reserve) sitting in the reserves which has been there for many years. If this reserve is topped up by \$310,000 by taking this amount out of its own profits and putting it into the reserves this will bring the balance to \$500,000 which will match the term deposit in the bank which also matches the resolution of Council. Moving the \$190,000 requires the resolution of Council explaining what the issues are and how this can be resolved. Council to inform Lowry's Accountants once this has been done.

Resolution No. 2018/08

That the Audit Committee recommend Council note the audited 2016/2017 General Purpose Financial Report for the year ended 30 June 2017 with amendments.

Moved: President Peter Clee

Seconded: Vice-President Trish McIntyre

7.0 2017/2018 Shire Plan

The Shire Plan is due to expire in 2018.

8.0 2013/14 to 2017/18 Strategic Plan

The Strategic Plan expires at the end of 2017/2018 Financial Year. Council will need to look at developing another 4 year strategic Plan and come up with a strategic vision and a long term plan with defined goals for the Council. The Long Term Financial Plan should be workshopped with the new Council before they start looking into the Strategic Plan which will also form the Shire Plan for next year.

Resolution No. 2018/09

That it is recommended to Council that they should hold a workshop to look at the Long Term Financial Plan.

Moved: Vice-President Trish McIntyre

Seconded: President Peter Clee

9.0 Other Business

Risk Assessment – The Audit Committee recommends council have a Risk Assessment and Evaluation plan in place. A risk plan is to be developed by council and this is to come back to this committee at the next meeting for discussion, especially in relation to Work Health and Safety. There are a number of risks that Council need to be made aware of, and this committee needs to flag these risks.

Resolution No. 2018/10

That it is recommended we look at drafting a risk register for the next Audit Committee Meeting.

Moved: Vice-President Trish McIntyre

Seconded: President Peter Clee

The resolution in the Agenda for the Audit Committee Meeting dated Tuesday 17 October 2017 "That the Audit Committee recommend Council note the audited General Purpose Financial Report for the year ended 30 June 2017 and submit to the Department of Housing and Community Development, Local Government Division and the NT Grants Commission" should be a resolution that is brought to the Council after they accept the 2016/2017 financials.

10.0 Confidential Items

Nil

11.0 Close of Meeting

The next meeting of the Wagait Shire Council Audit Committee will be held in the Wagait Shire Council Office and is planned tentatively for 13 March 2018 depending on availability of members.

The Chair declared the meeting closed at 4.40pm.

Resolution No. 2018/

That the minutes of the Audit Committee Meeting of 17 October 2017, be confirmed by committee members as a true and correct record.

Moved:

Seconded:

5.0 Matters arising from the previous Minutes:

6.0 Declaration of interests of committee members or staff:

7.0 Agenda Items:

7.1 Function of the Audit Committee

Committee Member Barry Bamford requested that the function of the Audit Committee be discussed at this meeting for the purpose of determining whether council would benefit by using the committee more broadly.

7.2 Audit Committees General Instruction No. 3

The Department of Local Government and Community Services issued General Instruction No. 3 relating to Audit Committees on 30 March 2015. It is recommended Committee Members review this document and become familiar with its content.



DEPARTMENT OF LOCAL GOVERNMENT AND COMMUNITY SERVICES

Audit Committees

General Instruction No. 3

Issued on behalf of the Department of Local Government and Community Services by
David Willing
Executive Director

Signed

A handwritten signature in black ink, appearing to read "David Willing".

Date 30.3.15

This is a general instruction pursuant to Regulation 7 of the *Local Government (Accounting) Regulations*. Failure of a council to comply with a general instruction is an offence of strict liability with a maximum penalty of 50 penalty units.

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Audit committees

Introduction

This General Instruction provides Northern Territory local governments with a guide to establishing and operating an audit committee in accordance with the *Local Government Act*, the *Local Government (Accounting) Regulations* and in line with good audit committee practises.

This paper aims to:

- explain the purpose for which an audit committee is established;
- provides a guide on the roles and responsibilities of an audit committee; and
- outline good audit committee practices within a council.

Overview

An Audit Committee provides an important role between a council and its management and between a council and its community.

One of the primary roles of these committees is to provide suggestions and recommendations to councils and/or management about actions to be taken to enhance financial governance, considered to be in the best interests of local communities.

An Audit Committee plays a crucial role in the financial reporting framework of a council, by overseeing and monitoring the participation of management and external auditors in the financial reporting process. An audit committee also addresses issues such as the approach being taken by councils and management to address business risk, corporate and financial governance responsibilities and legal compliance. Councils may also refer issues of a strategic nature to their audit committees.

However, the existence of an Audit committee is only one step in a council's approach to best practise financial governance and financial sustainability.

Legislative Base

Pursuant to the *Local Government (Accounting) Regulations* (the Regulations) councils are required to establish an audit committee as part of their internal control framework. Specifically the Regulations provide that an audit committee is to monitor compliance by the council to:

- *proper standards of financial management*; and
- *regulations and the Accounting Standards*.

Role of Audit Committees

Audit committees are an independent advisory body which plays a central role in independently reviewing a council's internal control processes to provide councillors with a level of assurance on the effectiveness of the council's financial and corporate governance practices and compliance with legislative and regulatory requirements. An audit committee has no authority to act independently of council and can only act in areas covered by their charter and within their terms of reference.

Audit committees can assist in identifying areas where changes are required to reduce the risk of a council's exposure to fraud or unauthorised transactions by providing oversight and advice about the Chief Executive Officer's (CEO) fraud protection plan. An audit committee may also act as a conduit between council and its auditors to help improve financial reporting, accountability and transparency within council.

The role of an audit committee may include:

- monitoring the effectiveness of the audit function and the implementation of audit recommendations;
- providing an independent line of reporting by the auditor to council;
- reviewing compliance with legislative requirements, contracts, standards and best practice guidelines;
- reviewing and, if appropriate, recommending council approve the financial statements (in conjunction with the auditor's report);
- monitoring changes in accounting and reporting requirements;
- provide oversight and monitoring of the CEO's fraud protection plan;
- reviewing and endorsing a code of conduct; and
- reviewing policies relating to conflicts of interest, misconduct and fraud.

To be effective, the audit committee must be independent from management and free from undue influence from councillors and council staff. The audit committee is an advisory body and members of the audit committee cannot have any executive powers, management functions, or delegated financial responsibility.

It is important for councillors to understand that an audit committee is established as an advisory body. It is the responsibility of the council, not the audit committee, to make decisions on how and what action(s) will be taken on matters brought to the attention of councillors by the audit committee.

Audit Committee Membership

The *Local Government Act* provides that council committee members are appointed by the council. Council committees may have members who are not elected members of the council and all committee members are subject to the terms and conditions determined by the council.

Members of an audit committee are appointed by the council. Ideally the composition of an audit committee should comprise of at least three members but the number of appointments will vary depending on the size of the council and the scope of works to be undertaken by the committee. To avoid tied decisions an uneven committee member number is recommended otherwise the chairperson should be given the deciding vote to avoid such a situation arising.

The committee is to be lead up by a chairperson (who must not be a member of council or a member of the council's staff) and all appointed committee members are to have equal voting rights.

Before establishing an audit committee, a council must come to an agreement regarding the selection process for audit committee members. Consideration should be given to the type of skills, personal attributes and practical experience each individual member must have before being nominated.

Factors to consider include the nominee's:

- level of understanding of local government and the council's operations and the environment in which it operates;
- level of knowledge and practical exposure on governance and financial management practices;
- capacity to dedicate adequate time on the committee;
- depth of knowledge of regulatory and legislative requirements; and
- ability to maintain professional relationships particularly with council members, staff and other stakeholders.

General Instruction No. 3 Audit Committees

In order to ensure the work of the audit committee is value adding, collectively as a group, the audit committee should have the relevant skills and knowledge of council and an understanding of its finance and governance arrangements. There is no mandated requirement for audit committee members to be formally qualified in accounting or a related field.

The council must also agree to the period of audit committee appointment; the conditions upon which recruitment and termination of members is to occur and whether members will be paid or if the appointment will be on an honorary basis. If council decides audit committee members will be paid, then the council must agree to the conditions, rate of payment and ensure there is an appropriate allocation in the council's annual budget.

Individual council staff members and councillors observing an audit committee meeting are not entitled to be remunerated in addition to their normal councillor / staff entitlements.

As stated previously, when councillors are considering nominees for the audit committee, the chairperson of the audit committee must be independent, i.e. neither a councillor of the same council nor a council staff member. It is highly desirable the chairperson have audit, risk and/or financial management skills, knowledge and experience.

Differences between a Finance Committee and an Audit Committee

The role of the finance committee is very different to an audit committee. A finance committee is established and given delegated powers to carry out, on behalf of the council, the financial functions that would normally be undertaken at an ordinary council meeting. This includes reviewing variance analysis of actual performance against budget, reviewing the debtor and creditor lists and ensuring sufficient funds are available to pay forthcoming debts.

In contrast, an audit committee provides advice to the council on financial reporting, accountability and transparency and the audit committee is neither accountable nor responsible for the financial affairs of the council.

As stated previously, an audit committee has no authority or power to act independently of council. A council's finance committee, including any other council committee with delegated powers, must not be combined or share roles and responsibilities with the audit committee. Ideally the audit committee should not comprise substantially of the same members as the finance committee, or any other council committee with council delegated powers, to avoid confusion and potential conflict of member responsibilities.

Audit Committee with other council advisory responsibilities

It may be appropriate for the independent audit committee to also be charged with monitoring and advising council on related matters such as risk management.

Other responsibilities given to the audit committee must not compromise its 'no delegated power rule' set by the Regulations. For example, it would be inappropriate (and against legislation) for the audit committee to have council's investment decision making powers.

Audit Committee Roles

The role, responsibilities and functions of an audit committee are set out in the charter, terms of reference and the work plan.

Audit Committee Charter

Councillors must agree on what roles and responsibilities will be assigned to its audit committee. Then specific roles and levels of authority of the audit committee must be issued in writing as the audit committee's charter. Note, when councillors are considering the role of the audit committee they cannot assign any of their own powers, delegations and/ or responsibilities to the audit committee.

The audit committee has no power or authority to override, amend, contradict or act outside the roles and responsibilities issued by council under the audit committee's charter and, subsequently discussed, terms of reference.

Typically the contents of an audit committee charter will include:

- Roles and Responsibilities – details the objectives and purpose of the committee;
- Committee Membership – such as how many members are to be appointed, method of recruiting, terminating and changing members, how the chairperson is selected and the period of appointment;
- Committee Meetings – details how meetings are convened, how often meetings are to be held, what makes a quorum and the frequency of meetings;
- Attendance at meetings and quorums – details if members can attend over the phone or only in person, whether circular out of session decisions can be made, what constitutes a quorum (e.g. require more than 50% of members to attend for the meeting to proceed), how the secretariat function works with the committee and how and when minutes and agendas are distributed;
- Conflict of Interest – regular disclosure of each member's business and other committee appointments and set procedures where conflicts of interest arise (e.g. committee member abstains from discussions and decision making);
- Authority / Delegation / Powers / Limitations – details of the powers and authority the audit committee has to access information, records, systems and reports of the council and the procedure to obtain required information (e.g. request put to the council Chief Executive Officer);
- Reporting – detail the format, frequency and method of reporting audit committee responsibilities back to the council;
- Voting Rights – only officially appointed audit committee members have voting rights. This section should also include council's views on voting by proxy and postal / email / fax votes;
- Audit Committee Performance and Review – should detail how council will measure and assess the performance of the audit committee and its individual members;
- Charter Review and Amendments – how frequently the council will review the audit committee's charter and activities; and
- Persons encouraged to attend meetings – details on individuals and organisations that should specifically be invited to attend audit committee meetings.

Terms of Reference

Specific roles and levels of authority of the audit committee are to be issued through a Terms of Reference which has been formally endorsed by council members. This means audit committees can only act within their Terms of Reference which cannot in any way absolve councillors or council staff from their roles and responsibilities.

Councillors must formally issue a terms of reference for its audit committee which sets out specific projects / responsibilities. Audit committees must be undertaken within the parameters set in its terms of reference and provide advice and recommendations within the scope of its Terms of Reference.

Audit committees have no authority to work outside the scope or change the provisions contained within the approved Terms of Reference.

Work plan

An audit committee should have a plan that sets out the work of the committee over the short, medium and long term. This will ensure that members of the committee, council staff and elected members are all clear on the planned and current activities of the audit committee and how it plans to conduct its business.

The work program or plan should be reviewed on a regular basis (at least annually) to ensure the work of the audit committee remains relevant and reflects council's priorities.

Typical work plan priorities include:

- liaising with the council's auditor;
- reviewing financial statements to ensure that they fairly represent the state of affairs of a council;
- proposing, and contributing relevant information to a review of the Council's strategic and annual plans;
- reviewing the adequacy of the council's accounting, internal control, reporting and other financial management systems and practises on a regular basis; and
- providing advice to the council about rectifying any exceptions provided by the auditor through the annual audit of financial statements.

Appointment of a Secretary

Councils should nominate a secretary for the audit committee who should, as a minimum, keep a record of the membership of and the dates of any changes to the membership of the audit committee. The position is also responsible for organising meetings, distributing the agenda and taking and distributing the minutes of all committee meetings.

Council Reporting

Annual Report Information

The council Annual Report should include information about the audit committee as part of reporting on the internal or corporate governance of the council. Information to be published in the council's Annual Report should include:

- audit committee membership and details of background and qualifications of members;
- the committee's principal activities during the year;
- how many times the committee met and who attended;
- information on audits / reviews undertaken; and
- any other relevant information on the activities of the audit committee.

What information should be on the council website?

The council website should include information on the audit committee so that the public can see how the committee works, who is on it and how often it meets. The information on the website should include:

- membership, and details of background and qualifications;
- charter or terms of reference;

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- description of the audit committee's role in risk management and internal control for the council; and
- any other relevant information on the activities of the audit committee.

Section 67(4) of the *Local Government Act* requires minutes of council committee meetings to be available on the council website within 10 business days after the meeting to which they relate. This means that the draft minutes, prior to confirmation at the next committee meeting, must be available on the website. Any confidential items considered at the meeting can be suppressed from the publicly available minutes under section 201 of the *Local Government Act*.

Subsidiaries and related parties of councils

Where one or more councils have a subsidiary, the subsidiary is required to establish its own audit committee. This is because the audit committee of the individual councils do not have a functional role in relation to the subsidiary.

Literature References

Audit Committees: A Guide to Good Practice for Local Government, Victorian Department of Planning and Community Development, January 2011

Audit Committees in Local Government: Their Appointment, Function and Responsibilities, Local Government Operational Guidelines number 9 (revised March 2006), Department of Local Government and Regional Development, Government of Western Australia.

Financial Sustainability Program: Information Paper Three: Audit Committees, Local Government Association of South Australia, July 2006.

Internal Audit Guidelines, New South Wales Government Premier and Cabinet, Division of Local Government, September 2010.

Public Sector Audit Committees: Independent Assurance and Advice for Chief Executives and Boards, Better Practice Guide, Australian National Audit Office, August 2011.

Relevant legislation references

Note Number	In relation to	Legislation	Section or Regulation
1.	Requirement to establish and maintain an audit committee	Local Government (Accounting) Regulations	Reg 10
2.	Establishing council committees	Local Government Act	Section 54
3.	Requirement to have an independent Chairperson	Local Government (Accounting) Regulations	Reg 10
4.	Establishing a committee to carry out financial functions	Local Government (Accounting) Regulations	Reg 11

Example Audit Committee Charter

A council should agree on an audit committee charter as the framework within which the audit committee Terms of Reference operate.

As an example:

1. Introduction

This audit committee charter is to be read in conjunction with the audit committee Terms of Reference.

The audit committee is an independent advisory body formed to add value and improve the council's operations. This committee is to help the council accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of council's financial and corporate governance processes and compliance with legislative and regulatory requirements.

2. Independence

Independence is essential to the effectiveness of the audit committee.

The audit committee function has no direct authority or responsibility for the activities it reviews. The audit committee function has no responsibility for developing or implementing procedures or systems and it does not prepare records or engage in line processing functions or activities. The work of audit committee does not in any way relieve council staff of their responsibilities for the development, implementation and maintenance of management control systems in their area.

3. Authority and Confidentiality

Subject to compliance with the council's confidentiality policy, the audit committee is authorised to have full, free and unrestricted access to all council records, documents and information solely in the course of undertaking the committee's activities.

The audit committee members are responsible and accountable for maintaining the confidentiality of the information they receive during the course of their work on this committee.

4. Scope of Audit Committee Activities

The audit committee activities will encompass all areas of council including internal financial and operational controls, IT systems, asset management and information management.

5. Role and Responsibilities

The audit committee will play an active role in:

- 5.1. developing and maintaining a culture of accountability and integrity;
- 5.2. facilitating the integration of good financial and corporate governance practices into day-to-day business activities and processes;
- 5.3. promoting a culture of cost-consciousness, self-assessment and adherence to high ethical standards; and
- 5.4. promoting a culture of performance and achievement of outcomes.

6. Standards

The audit committee activities will also be conducted in accordance with intent of relevant professional standards deemed appropriate and applicable including:

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- 6.1. International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors;
- 6.2. Standards relevant to audit issued by the Australian Certified Practising Accountants and the Institute of Chartered Accountants in Australia;
- 6.3. Standards relevant to IT Audit and Assurance issued by the Information Systems and Control Association; and
- 6.4. Standards issued by Standards Australian and the International Standards Organisation.

7. Review of Charter

The charter will be endorsed by the council. The audit committee charter shall be reviewed every two years or as deemed necessary by either the council or the Chief Executive Office.

Example Audit Committee Terms of Reference

Name:	Audit Committee		
Type:	Terms of Reference		
Ref No.:	xxxx		
Responsible Officer:	Chief Executive Officer		
Approved Date:	xx/xx/20xx	Review Date:	Xx/xx/20xx [usually bi-annually]

1. PURPOSE

As an example:

This document is to define the composition, role and responsibilities of the audit committee.

2. PRINCIPLES

Council should agree on the audit committee's role.

An example:

The audit committee's role is to independently review the council's internal control processes over the revenue, expenses and assets of the council.

3. RESPONSIBILITIES

Council should agree on the responsibilities of the audit committee being mindful this committee is an advisory body to council and that it has no authority or power to act independently of council.

For example:

The audit committee has no authority to act independently of council.

The audit committee is responsible for acting as an advisory body to council on the following matters to:

- 3.1. monitor the effectiveness of the audit function and the implementation of audit recommendations;*
- 3.2. provide an independent line of reporting by the auditor to council;*
- 3.3. review compliance with legislative requirements, contracts, standards and best practice guidelines;*
- 3.4. review and, if appropriate, recommending council approve the financial statements (in conjunction with the auditor's report);*

- 3.5. *monitor changes in accounting and reporting requirements;*
- 3.6. *review and endorsing a code of conduct; and*
- 3.7. *review policies relating to conflicts of interest, misconduct and fraud.*

4. COMPOSITION OF THE COMMITTEE

The council should decide on the number of audit committee members and the composition of the council having regard to the skills, personal attributes and practical experience required from the appointed members.

As an example:

The members of the audit committee are to be appointed by the council.

The audit committee should comprise of 3 [or 5] members and with a chairperson who is not a councillor of the council nor one of council's staff members.

5. QUORUM AT COMMITTEE MEETINGS

Council should agree on the audit committee's quorum number and acceptable member attendance rate being mindful of the size of the committee and complexity of the work being undertaken. Also, council should consider whether it is acceptable for members to attend an audit committee meeting via phone and / or video conferencing if unable to attend in person.

For example:

At least 75%, or a minimum of three, audit committee members must be in attendance for the meeting to proceed.

The audit committee members should endeavour to attend at least 75% of the meetings.

Audit committee members may attend meetings by phone or video conferencing if they are unable to attend in person.

6. VOTING RIGHT OF COMMITTEE MEMBERS

Council should decide on voting rights of the audit committee members.

As an example:

All council appointed audit committee members have equal voting rights on the committee.

Where a vote is taken and the result is undecided the chairperson has the casting vote.

7. TERM OF APPOINTMENT AND TERMINATION OF COMMITTEE MEMBERS

The council should agree on the terms of the audit committee appointment and termination of members.

An example:

All audit committee members are appointed for one [two / three] year period.

Audit committee members, not being the chairperson, cease being a member of the committee if they are no longer a councillor of the council.

The chairperson, being an independent non-councillor, is appointed by council for a set period and can be terminated by the council subject to the appointment agreement.

8. AUDIT COMMITTEE AND INDIVIDUAL MEMBER PERFORMANCE AND REVIEW

The council should decide on the frequency and methodology of the audit committee and its member performance review.

As an example:

The audit committee chairperson, in consultation with the council's Chief Executive Officer, will initiate a review of the performance of the committee and the individual member's performance at least once every two years.

The review will be conducted on a self-assessment basis (unless otherwise determined by the council) with appropriate input sought from the Chief Executive Officer, the auditors, management and any other relevant stakeholders, as determined by the Chief Executive Officer.

9. REMUNERATION OF THE COMMITTEE MEMBERS

Council should agree on the remuneration rate and conditions of the independent chairperson and committee members.

10. FREQUENCY OF COMMITTEE MEETINGS

Council should agree on the frequency the audit committee should meet.

Example as follows:

The audit committee should meet at least four times a year to:

- 10.1. review the unaudited financial statements at year end; set the audit agenda and the committee's work plan, including the meeting dates, for the coming financial year [usually June/July];*
- 10.2. meet with the auditors, discuss findings and review the draft audited financial statements to consider recommending for council approval [usually October];*
- 10.3. review the council's November financial statements as against budget; monitor the implementation of any audit recommendations accepted by the council; and undertake matters the audit committee is responsible for (e.g. review policies, compliance etc.) [usually December]; and*
- 10.4. review the council's March financial statements as against budget; review the council's draft budget for the following financial year; and undertake matters the audit committee is responsible for (e.g. Review compliance to legislation, contracts, accounting practices etc.) [usually April].*

On setting the audit committee meeting dates the committee must have regard to the date of council meetings to ensure the audit committee report, including draft unapproved minutes of the most recent prior meeting, is reported to council on a timely basis.

11. REPORTING BY THE COMMITTEE TO COUNCIL

Council should agree on the method the audit committee should report to council.

For example:

After meeting the audit committee should report to council at the nearest council meeting and include the committee's draft unapproved minutes.

12. SECRETARIAT SUPPORT OF THE COMMITTEE

The council should decide on the secretary support required by the audit committee and who should undertake that service / responsibility.

For example:

The council will ensure audit committee members have access to the agenda, meeting papers and prior unapproved minutes 5 [or 3] business days before the audit committee meeting is held.

The council will provide secretariat support to audit committee to ensure minutes taken are provided to committee members within 5 [or 3] business days of the meeting being held.

The secretariat is to ensure the minutes of committee meetings are available on the council's website within 10 business days after the meeting to which they relate to comply with section 67(4) of the Local Government Act.

13. COMMITTEE ACCESS TO COUNCIL RECORDS AND RESOURCES

The council should agree on what path the audit committee should undertake to access required council records and information including council resources such as third party financial advice or training.

As an example:

The council, via the council's Chief Executive Officer, will provide the necessary council records and reports for the audit committee to undertake its role and responsibilities subject to any confidentiality provisions in the Local Government Act or other legislative provisions.

The audit committee should approach the council requesting required resources being mindful of the finite nature of such resources.

The audit committee has no authority to procure resources independently of council.

14. CONFLICT OF INTEREST

The council should agree the disclosure and treatment of any audit committee member conflicts of interest.

For example:

Audit committee members must declare any real or perceived conflicts of interest when joining the committee, annually and at the start of each meeting or before discussion of the relevant agenda item or topic. Details of any conflicts of interest should be appropriately minuted.

Where a committee member is deemed to have a real or perceived conflict of interest, at the chairperson's discretion, it may be appropriate that the person is excused from committee deliberations on the agenda item where a conflict of interest exists, or if necessary excused from the meeting.

15. REVIEW OF TERMS OF REFERENCE

The council should agree on the method and frequency of reviewing the audit committee's Terms of Reference.

As an example:

Bi-annually the audit committee will review its Terms of Reference to ensure it is consistent with the perceived needs of the council. This review will be in consultation with the Chief Executive Officer.

The outcome and recommendations will be given to council to consider.

The audit committee has no power or authority to amend or alter the audit committee's Terms of Reference.

Enquiries

For queries regarding this procedure please contact the Local Government Sustainability and Compliance team on lg.compliance@nt.gov.au or phone 08 8999 8868

Related legislation and policies:	<i>Local Government Act</i> <i>Local Government (Accounting) Regulations</i>
Related documents:	

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Resolution No. 2018/

That Committee Members review General Instruction No. 3 relating to Audit Committees and become familiar with its content.

Moved:

Seconded:

7.3 Draft Amended 2017/2018 Budget



MEETING DATE: 08 March 2018
MEETING TYPE: Audit Committee
ATTACHMENTS: Nil.

Agenda Item No: 7.3
Report Title: Draft Amended 2017/2018 Budget
Attachments: Nil.

Summary:

This report has been provided to advise the Committee on the matter of the Draft Amended 2017/2018 Budget.

Background:

The current 2017/2018 budget has a number of identified issues:

- 1) Budgeted monthly amounts for Income and Expenditure do not reflect the nature of incomings and outgoings. For example, rates income budgeted each month did not reflect the propensity for most people to pay their rates in a lump sum.
- 2) The cost associated with the cleaning contract was still accounted for in employment expenses rather than in Contracts and Materials.
- 3) The purchase of a replacement CEO vehicle was not budgeted for (notwithstanding that a trade in value for the old vehicle had been). Note – reason being is that it was envisaged replacement vehicle would be financed.
- 4) WSC has successfully applied for a number of grants which require co-contribution. This has not been budgeted for. The amended budget includes a transfer from reserves totalling \$97,275
- 5) The kitchen and bathroom in the CEO house are now 20 years old and require significant renovation.
- 6) Pensioner rate and waste rebates were not accounted for.
- 7) The Weed Management contract budgeted for did not materialise.
- 8) In its Ordinary Meeting of 210 February 2018, Council resolved to outlay up to \$5,000 for sport & recreation equipment – this was not budgeted for.

Note – the draft amended budget balances at the end of the financial year however as at the end of February 2018, there is a budgeted surplus of \$113,929 and actual surplus of \$284,056. The primary reasons for the large surpluses is that grant funds received have not yet been expended and also that Waste Expenses are running substantially (22%) under budget.

It is likely that at the end of the financial year, a significant surplus will be realised and the recommendation would be that any surplus would be returned to reserves.

Recommendations:

THAT the Audit Committee either

1. Recommend to Council that they pass the amended budget noting that re-advertising of the budget will likely be necessary; or
2. Recommend to Council that variations to the Original 2017/2018 be outlined in monthly financial reports and / or addressed by way of specific resolution.

Recommending Officer: MARK SIDEY – CHIEF EXECUTIVE OFFICER

Resolution No. 2017/.....

That the Audit Committee agrees with the Officer's recommendation

"THAT Council:

Moved:

Seconded:

Vote:

Draft Amended Budget 2017/18

Account Name	July	August	September	October	November	December	January	February	March	April	May	June	Budget	Amended
Income														
RATES														
Rates Income	\$6,000	\$65,000	\$65,000	\$25,000	\$5,000	\$10,000	\$5,000	\$5,000	\$10,000	\$5,000	\$5,000	\$15,000	\$221,625	\$221,000
Rate Search income	\$70	\$0	\$0	\$70	\$0	\$0	\$70	\$0	\$70	\$0	\$70	\$0	\$350	\$350
Rate Interest Income	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$1,200	\$1,500
Pensioner rates rebate	\$0	\$11,800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,800
Total RATES	\$6,195	\$76,925	\$65,125	\$25,195	\$5,125	\$10,125	\$5,195	\$5,125	\$10,195	\$5,125	\$5,195	\$15,125	\$223,175	\$234,650
GRANTS														
Roads Grant - R2R	\$0	\$0	\$0	\$61,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$69,000	\$61,000
Sport & Rec Operational	\$0	\$0	\$0	\$21,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,000	\$21,000
FAA General Purpose	\$0	\$1,100	\$0	\$0	\$1,100	\$0	\$0	\$1,100	\$0	\$0	\$1,100	\$4,500	\$9,000	\$8,900
FAA Roads	\$0	\$6,700	\$0	\$0	\$6,700	\$0	\$0	\$6,700	\$0	\$0	\$6,700	\$28,000	\$53,100	\$54,800
NT Operational	\$74,800	\$0	\$0	\$0	\$0	\$0	\$82,700	\$0	\$0	\$0	\$0	\$0	\$148,700	\$157,500
Seniors	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500	\$1,000
NT Strategic LG Infrastructure	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$83,700	\$0	\$0	\$0	\$0	\$83,700
NT Community Benefit Fund	\$0	\$0	\$0	\$0	\$0	\$3,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,600
Federal - Stronger Communities	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000
Total GRANTS	\$75,800	\$7,800	\$0	\$82,000	\$7,800	\$3,600	\$97,700	\$7,800	\$83,700	\$0	\$7,800	\$32,500	\$302,300	\$406,500
CONTRACTS														
Weed Management	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,000	\$0
Jetty Management	\$0	\$4,900	\$4,900	\$4,900	\$4,900	\$4,900	\$4,900	\$4,900	\$4,900	\$4,900	\$4,900	\$4,900	\$58,800	\$53,900
Other	\$0	\$0	\$0	\$0	\$0	\$750	\$0	\$0	\$0	\$0	\$0	\$750	\$0	\$1,500
Water Management	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,700	\$3,400	\$3,400	\$3,400	\$3,400	\$3,400	\$3,400	\$51,000	\$42,600
Community Development Program	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$12,000	\$12,000
Total CONTRACTS	\$4,700	\$9,600	\$9,600	\$9,600	\$9,600	\$10,350	\$9,300	\$9,300	\$9,300	\$9,300	\$9,300	\$10,050	\$139,800	\$110,000
RENTAL INCOME														
Cloppenburg Park	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$2,640	\$2,640
Community Centre	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$180	\$180	\$180	\$540	\$540
Total RENTAL INCOME	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$400	\$400	\$400	\$3,180	\$3,180
MISC INCOME														
Bank Interest	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$9,600	\$12,000
Recovery Debt Collection Exp														
Waste Management - Extra bins														
Vehicle Trade in value	\$0	\$16,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,000	\$16,500
Transfer from Reserves	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$8,000	\$9,275	\$0	\$97,275
Telstra Reimbursement														
Total MISC INCOME	\$9,000	\$25,500	\$13,664	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$9,000	\$10,275	\$34,600	\$125,775
WASTE MANAGEMENT														
Waste Management Levy	\$2,700	\$34,000	\$34,000	\$12,500	\$3,000	\$6,000	\$3,000							

Advertising	\$1,000	\$1,000	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$3,000	\$4,000
Travel & Accommodation	\$100	\$1,000	\$100	\$100	\$2,000	\$100	\$100	\$100	\$100	\$100	\$2,000	\$700	\$4,100	\$8,500
Consultant fees	\$1,200	\$0	\$0	\$1,200	\$0	\$0	\$1,200	\$0	\$0	\$1,200	\$0	\$0	\$4,800	\$4,800
Miscellaneous	\$10,000	\$50	\$0	\$50	\$0	\$50	\$0	\$50	\$0	\$50	\$0	\$50	\$10,300	\$10,300
Valuation Costs	\$0	\$0	\$0	\$3,200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,200	\$3,200
Bank Charges														
Bank Fees	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$40	\$480	\$480
Merchant Fees	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$1,500	\$1,500
Total Bank Charges	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$165	\$1,980	\$1,980
Fees, Licences & Charges	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,200
Computer Support & Maint	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000	\$3,000
Insurance	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$26,400	\$25,000
Memberships & Subscriptions														
LGANT/Membership	\$1,400	\$0	\$500	\$0	\$0	\$150	\$0	\$0	\$0	\$0	\$0	\$0	\$2,050	\$2,050
Subscriptions & Publications	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$720	\$720
Total Memberships & Subscriptions	\$1,460	\$60	\$560	\$60	\$60	\$210	\$60	\$60	\$60	\$60	\$60	\$60	\$2,770	\$2,770
Office Costs														
Postage	\$500	\$0	\$0	\$500	\$0	\$0	\$0	\$0	\$500	\$0	\$0	\$0	\$1,500	\$1,500
Printing & Stationery	\$425	\$425	\$425	\$425	\$425	\$425	\$425	\$425	\$425	\$425	\$425	\$425	\$2,400	\$5,100
Total Office Costs	\$925	\$425	\$425	\$925	\$425	\$425	\$425	\$425	\$925	\$425	\$425	\$425	\$3,900	\$6,600
Telephones														
Office phone/fax/internet	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$220	\$2,640	\$2,640
Mobiles	\$60	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$95	\$1,105	\$1,105
Satellite	\$0	\$0	\$0	\$100	\$100	\$100	\$100	\$100	\$100	\$0	\$0	\$0	\$500	\$500
Total Telephones	\$280	\$315	\$315	\$415	\$415	\$415	\$415	\$415	\$315	\$315	\$315	\$315	\$4,245	\$4,245
Meeting Expenses														
Meeting expenses	\$80	\$80	\$80	\$80	\$80	\$80	\$80	\$80	\$80	\$80	\$80	\$80	\$960	\$960
Councillor Allowances	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$6,000	\$6,000
Total Meeting Expenses	\$580	\$580	\$580	\$580	\$580	\$580	\$580	\$580	\$580	\$580	\$580	\$580	\$6,960	\$6,960
Total ADMINISTRATION EXPENSES	\$41,760	\$6,345	\$3,095	\$13,345	\$5,595	\$3,695	\$3,895	\$2,745	\$3,095	\$4,845	\$4,495	\$6,745	\$94,855	\$99,655
EMPLOYMENT EXPENSES														
Superannuation Expenses														
Superannuation	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$30,000	\$30,000
Total Superannuation Expenses	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$30,000	\$30,000
Wages & Salaries														
Wages & Salaries	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$21,000	\$300,000	\$252,000
Wages Sports & Rec	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$1,750	\$21,000	\$21,000
Total Wages & Salaries	\$22,750	\$22,750	\$22,750	\$22,750	\$22,750	\$22,750	\$22,750	\$22,750	\$22,750	\$22,750	\$22,750	\$22,750	\$321,000	\$273,000
Training, safety, uniforms & assistance														
Staff Training	\$300	\$0	\$0	\$300	\$0	\$0	\$0	\$300	\$0	\$0	\$300	\$0	\$1,200	\$1,200
Staff Uniforms & Safety	\$0	\$0	\$400	\$0	\$0	\$0	\$400	\$0	\$0	\$0	\$0	\$400	\$1,200	\$1,200
Professional Development	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000
Professional Assistance CEO	\$0	\$1,200	\$0	\$0	\$1,200	\$0	\$0	\$1,200	\$0	\$0	\$1,200	\$0	\$4,800	\$4,800
Total Training, safety, uniforms & assistance												\$400	\$8,200	\$8,200
Total EMPLOYMENT EXPENSES	\$29,675	\$29,675	\$29,675	\$29,675	\$29,675	\$29,675	\$29,675	\$29,675	\$29,675	\$29,675	\$29,675	\$30,075	\$359,200	\$311,200
ROADS														
Roads to Recovery Acquittal	\$0	\$0	\$0	\$61,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$69,000	\$61,000
FAA Roads	\$0	\$6,700	\$0	\$0	\$6,700	\$0	\$0	\$6,700	\$0	\$0	\$6,700	\$28,000	\$53,100	\$54,800
Total ROADS	\$0	\$6,700	\$0	\$61,000	\$6,700	\$0	\$0	\$6,700	\$0	\$0	\$6,700	\$28,000	\$122,100	\$115,800
CONTRACTS & MATERIALS														
Jetty Maintenance	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$600
Stores Materials & Loose Tools	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$3,000	\$3,000
Water Management/Maintenance	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$1,500	\$1,500
Cleaning Contract	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$2,400	\$0	\$28,800
Other contract expense														
Animal Management	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0	\$3,000	\$3,000
Total CONTRACTS & MATERIALS	\$2,825	\$4,325	\$2,825	\$2,825	\$2,825	\$2,825	\$2,825	\$4,325	\$2,825	\$2,825	\$2,825	\$2,825	\$8,100	\$36,900
REPAIRS & MAINTENANCE														
R&M Garden & Ground	\$0	\$300	\$0	\$0	\$300	\$0	\$0	\$0	\$300	\$0	\$0	\$0	\$900	\$900

R&M Ablution Block	\$0	\$500	\$0	\$0	\$0	\$0	\$500	\$0	\$0	\$0	\$0	\$0	\$1,000	\$1,000
R&M CEO House	\$2,500	\$0	\$0	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$0	\$15,000	\$5,000	\$20,000
R&M Community Centre	\$2,500	\$0	\$0	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,000
R&M Office	\$2,500	\$0	\$0	\$0	\$0	\$0	\$2,500	\$0	\$0	\$0	\$0	\$0	\$5,000	\$5,000
R&M Workshop	\$1,500	\$0	\$0	\$0	\$0	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0	\$3,000	\$3,000
R&M Sports Ground	\$200	\$0	\$0	\$0	\$0	\$200	\$0	\$0	\$0	\$200	\$0	\$0	\$600	\$600
R&M Townsite	\$200	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200
Strategic Plan Goals	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0	\$13,000	\$0	\$9,270	\$0	\$0	\$37,270	\$37,270
Total REPAIRS & MAINTENANCE	\$24,400	\$800	\$0	\$0	\$300	\$200	\$9,500	\$13,000	\$300	\$9,470	\$0	\$15,000	\$57,770	\$72,970
VEHICLE & PLANT														
Plant & Equipment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,200	\$0
Fuel Works Ute	\$225	\$225	\$225	\$225	\$225	\$225	\$225	\$225	\$225	\$225	\$225	\$225	\$2,400	\$2,700
Fuel Plant and Machinery	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$175	\$1,200	\$2,100
Fuel CEO	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$600	\$2,400	\$7,200
Fuel Works Truck	\$100	\$0	\$100	\$0	\$100	\$0	\$100	\$0	\$100	\$0	\$100	\$0	\$300	\$600
R&M Plant & Machinery	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$3,600	\$4,200
R&M Vehicles	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$300	\$3,600	\$3,600
Vehicle Registration	\$0	\$710	\$0	\$520	\$0	\$0	\$0	\$0	\$800	\$1,200	\$0	\$0	\$3,230	\$3,230
Rego - Plant & Machinery	\$0	\$0	\$0	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500	\$500
Total VEHICLE & PLANT	\$1,750	\$2,360	\$1,750	\$2,670	\$1,750	\$1,650	\$1,750	\$1,650	\$2,550	\$2,850	\$1,750	\$1,650	\$18,430	\$24,130
GRANT EXPENSES														
Senior Week Function	\$0	\$1,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500	\$1,500
Sports & Rec Activities	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$1,200	\$1,200
Australia Day Expenses	\$0	\$0	\$0	\$0	\$1,500	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$300	\$2,000
Total GRANT EXPENSES	\$100	\$1,600	\$100	\$100	\$1,600	\$600	\$100	\$100	\$100	\$100	\$100	\$100	\$3,000	\$4,700
WASTE MANAGEMENT EXPENSE														
Waste Management	\$6,000	\$6,000	\$17,100	\$6,000	\$6,000	\$17,100	\$6,000	\$6,000	\$17,100	\$6,000	\$6,000	\$17,100	\$116,400	\$116,400
Total WASTE MANAGEMENT EXPENSE	\$6,000	\$6,000	\$17,100	\$6,000	\$6,000	\$17,100	\$6,000	\$6,000	\$17,100	\$6,000	\$6,000	\$17,100	\$116,400	\$116,400
SERVICES														
Electricity	\$1,500	\$0	\$0	\$1,500	\$0	\$0	\$1,500	\$0	\$0	\$1,500	\$0	\$0	\$6,000	\$6,000
Gas Supplies	\$200	\$0	\$0	\$0	\$0	\$200	\$0	\$0	\$0	\$0	\$0	\$0	\$400	\$400
Pest Control	\$1,500	\$0	\$0	\$0	\$0	\$0	\$1,000	\$0	\$0	\$0	\$0	\$0	\$2,500	\$2,500
Water & Sewerage	\$900	\$600	\$800	\$200	\$100	\$0	\$0	\$0	\$200	\$400	\$500	\$600	\$4,300	\$4,300
Community Recreation Activity	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$50	\$600	\$600
Total SERVICES	\$4,150	\$650	\$850	\$1,750	\$150	\$250	\$2,550	\$50	\$250	\$1,950	\$550	\$650	\$13,800	\$13,800
Total SPORT & RECREATION EQUIPMENT										\$2,500	\$2,500			\$5,000
CAPITAL EXPENSES														
Cloppenburg Park - BBQs project	\$0	\$0	\$0	\$0	\$0	\$0	\$15,000	\$0	\$15,000	\$0	\$0	\$0	\$0	\$30,000
Cloppenburg Park - Irrigation roject	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000	\$30,000	\$0	\$75,000	\$0	\$125,000
Communications project	\$0	\$0	\$0	\$0	\$0	\$3,600	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,600
CEO Vehicle replacement	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
Total Capital Expenses	\$0	\$50,000	\$0	\$0	\$0	\$3,600	\$15,000	\$0	\$35,000	\$30,000	\$0	\$75,000	\$0	\$208,600
TOTAL EXPENSES	\$110,660	\$108,455	\$55,395	\$117,365	\$54,595	\$59,595	\$71,295	\$64,245	\$90,895	\$87,715	\$52,095	\$177,145	\$793,655	\$1,004,155
SUMMARY														
Total Income	\$98,615	\$162,895	\$122,609	\$138,515	\$34,745	\$39,295	\$124,415	\$34,445	\$118,415	\$26,825	\$34,695	\$73,350	\$819,455	\$1,004,155
TOTAL EXPENSES	\$110,660	\$108,455	\$55,395	\$117,365	\$54,595	\$59,595	\$71,295	\$64,245	\$90,895	\$87,715	\$52,095	\$177,145	\$793,655	\$1,004,155
Surplus	-\$12,045	\$54,440	\$67,214	\$21,150	-\$19,850	-\$20,300	\$53,120	-\$29,800	\$27,520	-\$60,890	-\$17,400	-\$103,795	\$25,800	\$0

7.4 2018/2019 Shire Plan

Development of the 2018/19 Shire Plan has commenced.

7.5 Strategic Plan

The current Strategic Plan expires at the end of 2017/2018 Financial Year.
Development of the 2018/2022 has commenced with Councillors having undertaken a workshop and SWOT Analysis.

7.6 Long Term Financial Plan

This will be reviewed and updated in conjunction with the Strategic Plan Development.

7.7 Risk Management Framework and System

Ongoing.

7.8 Annual Budget

Development of the 2018/2019 Annual Budget has commenced.

8.0 Other Business:

Nil.

9.0 Confidential items:

Nil.

10.0 Closure of meeting:

The next meeting of the Wagait Shire Council Audit Committee will be held in the Wagait Shire Council Office and is planned tentatively for Thursday June 7 depending on availability of members.

The Chair declared the meeting closed at