



**WAGAIT SHIRE COUNCIL**

**MINUTES  
AUDIT COMMITTEE MEETING**

**COUNCIL CHAMBERS  
142 WAGAIT TOWER ROAD 9.30AM**

**Tuesday 9 May 2023**

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## **1. Present**

Committee members:

Chair Clare Milikins  
Shelley Hewitt  
Maureen Newman  
President Neil White  
Cr Michael Vaughan

Council staff:

CEO, Renita Glencross

## **2. Opening of Meeting**

The Chair declares the meeting open at 9.35am 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.

### **2.1. Apologies**

The Chair advises that there are no apologies for this meeting.

## **3. Conflict of Interest**

The Chair asks if there are items on the Agenda that are a conflict of interest for members?

Chair Clare Milikins is chairing the Department of the Legislative Assembly's audit committee for a year.

## **4. Movement of Confidential Items**

The Chair asked if there are items on the Agenda to move into Confidential? NIL

The Chair asked if there are Confidential items to move to the general Agenda? NIL

## **5. Confidential Items**

### **5.1. Risk Management Update**

### **5.2. Draft Shire Plan and Budget 2023-24**

### **5.3. Annual Insurance Review**

## **6. Confirmation of Previous Minutes for the Audit Committee**

The draft Minutes of the Audit Committee Meeting held Tuesday 14 February 2023 are attached for the committee's review.

**Resolution No. 2023/67**

**That the Minutes of the Audit Committee Meeting of Tuesday 1 November 2022 be confirmed by Committee Members as a true and correct record.**

**Moved: Maureen Newman**

**Seconded: President Neil White**

**Vote: AIF**

**6.1. Matters Arising from the Previous Minutes**

**7. Action Sheet**

Audit Committee Resolution Ref		Resolution	Meeting Date	Status
2	None	Audit committee work plan. The committee recommended a work plan be developed to align meetings with the Terms of Reference requirements and activities.	01/11/2022	Action created.
			14/02/2023	Draft work plan was presented to the audit committee and accepted as a work in progress.
			09/05/2023	The schedule is used to inform meeting agendas.
			Date	Work plan prepared as an overall cover sheet to be presented to council with the audit committee meeting minutes. Item completed upon this action.
3	None	Risk Register and Risk Management updates.	14/02/2023	Action created. Risk Management updates will be provided in Confidential items going forward.
			09/05/2023	Refer Agenda Item 5.1 Risk Management update.
			09/05/2023	Action completed and will be moved to confidential items to be discussed as a standing agenda item in May and November audit committee meetings

**Resolution No. 2023/68**  
**That the Audit Committee accept the Action Sheet.**  
**Moved: President Neil White**  
**Seconded: Cr Michael Vaughan**  
**Vote: AIF/carried**

## **8. Agenda Items**

All items are confidential and will be discussed in-camera (see list at item 5.)

## **9. Financial Reports**

### **9.1. March 2023 Reports**

- Accrual Income and Expenditure Report for March 2023
- Balance Sheet including Financial Report and Notes for March 2023
- Statement of Cash Flows for March 2023
- Special Purpose Grants Report for March 2023

Special purpose grants – expenditure is greater than income. The income is expected at completion of the project.

If council does not agree with the auditor's allocation of special purpose grant funds due to their adherence to Australian Accounting Standards, council can formally disagree with the auditor's opinion and the Financial Statements will include a 'subject to qualification'. This could be the basis for councils to have a discussion with the Department about the impact of the relevant accounting standard on decision making.

ACTION: Chair Clare Milikins to discuss this with the department and inform CEO of the outcome of the discussion. CEO to include this feedback to council for consideration at following council meeting.

### **9.2. Q3 Report**

The Q3 report was presented at the April meeting of council and is provided to the committee for noting.

This report could be a good addition to the website for public reference.

### **9.3. Second Budget Review 2022-23**

The second budget review at Q3 for 2022-23 was undertaken by the CEO and presented to council at the 2024 budget workshop on 30 March then accepted at the April meeting of council by resolution 2023/062 in accordance with the Local Government (General) Regulations 2021, Division 4, Section 9(1)(b); due to NT Government by 30 April. A copy is attached for the committee to note.

The budget is running on track with a slightly reduced deficit. There has been some more movement in reserves. Council has approved additional funds to be released from reserves to cover the grant funds shortfall of purchasing a new tip truck and condensed exercise equipment. Grant shortfall occurred due to delay in announcing the grant outcome and a rise in costs. The increase is from \$30,000 to \$46,000.

**Resolution No: 2023/69****That the Audit Committee receives and**

- a) accepts the Financial Reports provided for April 2023,**
- b) notes the Q3 report provided to council, and**
- c) notes the second budget review for 2022-23 has been undertaken and endorsed by council at their April meeting.**

**Moved: Maureen Newman****Seconded: Cr Michael Vaughan****Vote: AIF/carried****10. General Business****10.1. Schedule of Financial Statutory Responsibilities**

The 2023 schedule of Local Government compliance responsibilities is provided below.

<b>Item</b>	<b>Audit Committee Date</b>	<b>Council Date</b>	<b>NTG Due Date</b>
2024 Shire Plan & Budget - Draft	May	May 2023	-
2024 Shire Plan & Budget - Final	-	June 2023	30 June 2023
2023 Financial Audit - Draft	August	September	-
2023 Annual Report - Draft	September	September	-
Adopt 2023 Financial Audit	October	October	15 November
Adopt 2023 Annual Report	October	October	15 November
Q1 Budget Review	-	October	31 December

**10.2. Current Tenders and Procurement Update**

Since February 2021 Council has published procurement requests for Tender/Quote (RFT/RFQ) on the Local Buy portal and on the Council website as well as directly to known contractors.

Procurement assessment panels are formed as soon as practicable after closing to facilitate a transparent selection process, which may include Audit Committee members.

<b>Item</b>	<b>Funding</b>	<b>RFQ/RFT Dates</b>	<b>Status</b>	<b>Value</b>
Repurpose existing caretaker compound into a centre for recycling, second-hand goods and community trade.	WaRM-2(NTG)	Feb-May 2023	Delayed pending design review	\$ 150,000
Road safety audit and investigation	WSC reserves	April-May 2023	New	\$ 30,000
Purchase of a new tip-truck.	IPG (NTG)	May-June 2023	New	\$ 100,000
Installation of a condensed exercise station at the park.	IPG (NTG)	May-June 2023	New	\$ 145,000

An additional tender for delivery of curbside waste services will be added as the current contract

ends in July 2023. A large increase of service fees at Shoal Bay will have a considerable impact on the level of these tenders. CEO is currently working with Belyuen Council CEO to collaborate on this tender and consider alternative options.

Is it worthwhile speaking to City of Darwin re: cost of processing waste through Shoal Bay as this item in the budget is in deficit? This topic will be discussed at the next TOPROC meeting.

Tender responses are generally higher than budgeted 12 months ago, eg. caretaker compound at Cloppenburg Park has come back at twice the price as budgeted. Budget planning needs to be cognoscente that prices are continuing to rise.

### 10.3. Meeting Schedule for 2023

JANUARY	FEBRUARY	MARCH	APRIL
Emergency Committee 11 January 2023 (	Audit Committee 14 February 2023	Emergency Committee 15 March 2023	Community Consultation 15 April 2023
Ordinary Council Meeting 17 January 2023	Ordinary Council Meeting 21 February 2023	Ordinary Council Meeting 21 March 2023	Ordinary Council Meeting 18 April 2023
MAY	JUNE	JULY	AUGUST
Audit Committee 09 May 2023	Emergency Committee 08 June 2023		Audit Committee 08 August 2023
Ordinary Council Meeting 16 May 2023	Council Meeting 20 June 2023	Ordinary Council Meeting 18 July 2023	Ordinary Council Meeting 15 August 2023
SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
Emergency Committee 13 September 2023	Audit Committee 10 October 2023	Community Consultation 11 November 2023	Emergency Committee 13 December 2023
Ordinary Council Meeting 19 September 2023	Ordinary Council Meeting 17 October 2023	Ordinary Council Meeting 21 November 2023	Ordinary Council Meeting 19 December 2023

Chair Clare Milikins' current schedule restricts her from attending meetings in person. The Chair is happy for the committee and council to consider if meetings are diminished by her attending via electronic means only and, as such, should find a replacement chair.

### 11. Closure of Meeting

The next meeting of the Wagait Shire Council Audit Committee will be held in the Wagait Shire Council Chambers at 9.30am, 08 August 2023.

The Chair declared the meeting closed to the general public at 10.01 am.

The Chair declared the meeting closed at 10.35am.