



WAGAIT SHIRE COUNCIL

**MINUTES
AUDIT COMMITTEE MEETING**

**COUNCIL CHAMBERS
LOT 62, WAGAIT TOWER ROAD 9.30AM**

Tuesday 14 February 2023

Contents

1.	Present	3
2.	Opening of Meeting	3
2.1.	Apologies.....	3
3.	Conflict of Interest	3
4.	Movement of Confidential Items.....	3
5.	Confirmation of Previous Minutes for the Audit Committee	4
6.	Matters Arising from the Previous Minutes - Nil.....	4
7.	Action Sheet	5
8.	Agenda Items.....	7
8.1.	Audit Committee Terms of Reference and Draft Work Plan	7
8.2.	Policies for Review	7
9.	Financial Reports	7
9.1.	December 2022 Reports	7
9.2.	Mid-Year Report.....	8
9.3.	Second Budget Review 2022-23	8
10.	General Business	8
10.1.	Schedule of Financial Statutory Responsibilities	8
10.2.	Current Tenders and Procurement Update	8
10.3.	Meeting Schedule for 2023.....	9
11.	Closure of the Open Meeting.....	9
12.	Confidential Items	9
12.1	Risk Management Workshop.....	9
12.2	Workers Compensation Update	9
13.	Closure of Meeting	9

1. Present

Committee members:

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

Council staff:

CEO, Renita Glencross
Policy Officer, Fiona Carter

2. Opening of Meeting

The Chair declares the meeting open at 9.37am 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 advised that her conflict regarding the East Arnhem Regional Council ARC can be removed from the register as she has resigned from the committee.

4. Movement of Confidential Items

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

The Chair recommends agenda 8.1 Risk Management Workshop be moved to Confidential Items on the basis of this document being of risk to the business if made public.

Resolution No. 2023/017

That agenda item 8.1 Risk Management Workshop be moved to Confidential Items.

Moved: Chair Clare Milikins

Seconded: Maureen Newman

Vote: AIF

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

5. Confirmation of Previous Minutes for the Audit Committee

The draft Minutes of the Audit Committee Meeting held Tuesday 1 November 2022 are attached for review.

Resolution No. 2023/018

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: President Neil White

Seconded: Maureen Newman

Vote: AIF

6. Matters Arising from the Previous Minutes - Nil

7. Action Sheet

Audit Committee Resolution Ref		Resolution	Meeting Date	Status
1	None	Half-Yearly Budget Report. The committee requested: a) Future Operating Statement financial report be segregated into Operational and Grant funding streams to enable members to assess the real position of Council operations separate from tied the commitments relating to grants; and b) A report on current grants and their status at its next meeting.	22/01/2020	Action created.
			8/09/2020	Refer Agenda Item 9. Quarterly Financial Report to be separated into into Operational and Grant funding streams. CEO and Chair to work together to refine the reporting and to bring back a more useful report to the next Committee Meeting.
			10/11/2020	Refer Agenda Item 9. Financial Reporting has been separated into Operational and Special Grants Inc/Exp as well as a separate report of Unexpended Special Grants.
			01/02/2021	Refer Agenda Item 8.4 a draft half yearly report has been prepared for consideration.
			06/05/2021	Refer Agenda Item 8.4 Three-Qtr Financial report was prepared and tabled at the Community Meeting on 24 April and the Council Meeting on 27 April 2021.
			01/02/2022	A new Business Snapshot Report generated for quarterly and half-yearly financial tracking was tabled and discussed. An amended report with greater detail will be presented back to the committee at the next meeting.
			07/06/2022	The Business Snapshot has been updated within the capacity of the software program. Council may need to seek alternative app or design options. Chair suggested several add-on programs to Xero which would allow more flexibility in reporting. These include Calxa (highly recommended), Spotlight Reporting, Futrli, and Fathom.
			24/08/2022	Finance Officer is reviewing options suggested by the committee and will provide advice back to CEO.
			11/11/2022	Finance Officer, CEO, and Policy Officer met with Clare Milikins to explore Calxa as a reporting option for council.
			15/01/2023	Finance Officer & CEO agree Calxa is too complex and expensive for council requirements & prepare a mid-year report to present to council, which is accepted at the January meeting by resolution 2023/007. If the committee finds the mid-year report appropriate, the CEO requests to remove this item from the action sheet.

2	None	Audit committee work plan. The committee recommended a work plan be developed to align meetings with the Terms of Reference requirements & activities.	01/11/2022	Action created.
			14/02/2023	Refer Agenda Item 8.2. Draft work plan presented to the audit committee. If the committee finds the draft work-plan appropriate, the CEO requests to remove this item from the action sheet.

Notes: Item 1 can now be removed as Council has accepted the current format for the mid-year report.

Resolution No. 2023/019
That the Audit Committee accept the Action Sheet.
Moved: President Neil White
Seconded: Cr Michael Vaughan
Vote: AIF

8. Agenda Items

8.1. Audit Committee Terms of Reference and Draft Work Plan

The current Terms of Reference were referred to the Local Government Act 2019 to ensure they meet new compliance measures. The Terms of Reference were found to be compliant. Current financial policies are also in line with the LGA 2019 and financial management systems are aligned to meet the standards of the Act, regulations and policies.

The committee considered the draft work plan and made recommendations for the plan as a work in progress. The audit committee notes the work that has been done and formally congratulates management.

8.2. Policies for Review

The following policies were reviewed, prior to being presented to council for endorsement:

- Infectious Diseases Policy
- Risk Management Policy
 - 4.1.2 add 'and refer to the risk matrix'
 - Council members should be added under 4.3 Roles and Responsibilities as they are ultimately responsible for setting council's risk appetite, which forms the foundation of and consideration of risk.
 - Date for review: February 2024
- Working From Home Policy
 - Add a checklist and form for the employee to sign acknowledging they have considered the WHS risks of working from home.
 - Date for review: February 2024

Resolution No. 2023/020

That the Audit Committee recommends the following policies to council with the suggested changes:

- **Infectious Diseases Policy**
- **Risk Management Policy**
- **Working From Home Policy**

Moved: President Neil White

Seconded: Maureen Newman

Vote: AIF

9. Financial Reports

9.1. December 2022 Reports

- Accrual Income and Expenditure Report for December 2022
- Balance Sheet including Financial Report and Notes for December 2022
- Statement of Cash Flows for December 2022
- Special Purpose Grants Report for December 2022
- Mid-Year Report 2022-23

The committee noted that reimbursement payments for workers' compensation wages should be allocated against the wages expenditure account rather than allocated to an income account. This will offset the additional workers' compensation wages costs and give a true picture of wages. CEO will notify the Finance Officer to make this change.

9.2. Mid-Year Report

As discussed in the Action Sheet.

9.3. Second Budget Review 2022-23

In accordance with the Local Government (General) Regulations 2021, Division 4, Section 9(1)(b); a second budget review for 2022-23 is due to NT Government by 30 April 2023. The CEO advises that the second budget review for Wagait Shire Council will be undertaken during the budget workshop for 2023-24, which is currently scheduled for late March - early April.

Resolution No: 2023/021

That the Audit Committee receives and accepts the Financial Reports provided for December and notes the timing of the second budget review for 2022-23.

Moved: Maureen Newman

Seconded: Cr Michael Vaughan

Vote: AIF

10. General Business

10.1. Schedule of Financial Statutory Responsibilities

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

Item	Audit Committee Date	Council Date	NTG Due Date
2nd Financial Year Budget Review	-	Mar/April 2023	30 April 2023
2024 Shire Plan & Budget - Draft	May	April 2023	-
2024 Shire Plan & Budget - Final	May	May 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.

Item	Funding	RFQ/RFT Dates	Status	Value
Repurpose existing caretaker compound into a centre for recycling, second-hand goods and community trade.	WaRM-2(NTG)	Feb 2023	In progress	\$ 150,000

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

The CEO suggested that the August committee meeting may be too early for the draft audit to be presented and the committee may need to be flexible to meet as documents become available.

11. Closure of the Open Meeting

The Chair declared the meeting closed to the public at 10.37 am.

12. Confidential Items

- 12.1 Risk Management Workshop
- 12.2 Workers Compensation Update

13. 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, 09 May 2023. The Chair declared the meeting closed at 11.02 am.