

SHIRE OF SHARK BAY MINUTES OF THE AUDIT COMMITTEE MEETING

29 March 2023



PUGGLES – THE SHARK BAY ECHIDNA



29 MARCH 2023



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The unconfirmed minutes of the Audit Committee held in the Council Chamber at the Shark Bay Recreation Centre, Francis Street, Denham on 29 March 2023 commencing at 1.00 pm.

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MINUTES OF THE AUDIT COMMITTEE MEETING

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AC1.0 DECLARATION OF OPENING

The Chairperson, Cr Cowell, declared the Audit Committee open at 1.05 pm.

AC2.0 ACKNOWLEDGEMENT OF COUNTRY

I would like to acknowledge the Malgana Peoples as the traditional custodians of the land and sea in and around the Shire of Shark Bay.

I pay my respects to their Elders past, present and emerging.

AC3.0 RECORD OF ATTENDANCES / APOLOGIES / LEAVE OF ABSENCE GRANTED

ATTENDANCES

Cr C Cowell	Chairperson
Cr L Bellottie	
Cr G Ridgley	Entered at 1.19pm
Cr M Smith	
Cr M Vankova	

Mr D Chapman	Chief Executive Officer
Ms A Pears	Executive Manager Finance and Administration
Mrs D Wilkes	Executive Manager Community Development
Mr B Galvin	Works Manager
Mrs R Mettam	Executive Assistant

APOLOGIES

Cr E Fenny
Cr P Stubberfield

VISITORS

AC4.0 CONFIRMATION OF MINUTES

AC4.1 CONFIRMATION OF THE MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 2 JUNE 2022

Moved	Cr Vankova
Seconded	Cr Smith

Audit Committee Resolution

That the minutes of the Audit Committee meeting held on 2 June 2022, as circulated to all Committee members, be confirmed as a true and accurate record.

4/0 CARRIED

29 MARCH 2023

AC5.0 AUDIT COMMITTEE REPORTS

AC5.1 LOCAL GOVERNMENT COMPLIANCE AUDIT RETURN
CM00013

Author

Executive Assistant

Disclosure of Any Interest

Nil

Moved Cr Vankova

Seconded Cr Smith

Audit Committee Resolution

That the Audit Committee recommend that Council adopt the Local Government Compliance Audit Return for the period 1 January 2022 to 31 December 2022 as completed and for it to be forwarded to the Department of Local Government as a true and correct record of the information contained therein.

4/0 CARRIED

Comments

The Audit Compliance Return now focuses on areas of compliance that are considered high risk, such as financial interest disclosures, procurement and tendering, delegation and use of delegated power and the recruitment and appointment of the Chief Executive Officer and Senior Staff.

The Compliance Audit Return has been completed and checked. It is now presented to the Audit Committee. The Audit Committee now needs to recommend that it be adopted by Council. A certified copy of the Return is to be submitted to the Department of Local Government by 31 March 2023.

The Compliance Return is an excellent internal control to assess the Shire of Shark Bay's statutory compliance.

Background

The Statutory Compliance Audit Return for the period 1 January 2022 to 31 December 2022 is due. Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996* require all local governments to complete the Statutory Compliance Audit Return.

The Compliance Audit Return is to be -

- 1 Presented to the Audit Committee
- 2 Presented to Council at a meeting of the Council.
- 3 Adopted by the Council.
- 4 The adoption recorded in the minutes of the meeting at which it is adopted.

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After the Compliance Audit Return has been presented to the Council, a certified copy of the Return along with the relevant section of the minutes and any additional information explaining or qualifying the Compliance Audit Return is to be submitted to the Director General, Department of Local Government by 31 March 2023.

Legal Implications

Section 7.13 (1)(i) of the *Local Government Act 1995*.

Regulation 14 – Compliance audit return to be prepared – *Local Government (Audit) Regulations 1996*

Regulation 15 – Completion of compliance audit return – *Local Government (Audit) Regulations 1996*

Policy Implications

There are no policy implications relative to this report

Financial Implications

There are no financial implications relative to this report

Strategic Implications

There are no strategic implications relative to this report

Voting Requirements

Simple Majority Required

Signatures

Chief Executive Officer

D Chapman

Date of Report

14 March 2023

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return - Shark Bay



Department of
Local Government, Sport
and Cultural Industries

Shark Bay – Compliance Audit Return

Commercial Enterprises by Local Governments				
No	Reference	Question	Response	Comments
1	s3.59(2)(a) F&G Regs 7,9,10	Has the local government prepared a business plan for each major trading undertaking that was not exempt in 2022?	N/A	
2	s3.59(2)(b) F&G Regs 7,8A, 8, 10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2022?	N/A	
3	s3.59(2)(c) F&G Regs 7,8A, 8,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2022?	N/A	
4	s3.59(4)	Has the local government complied with public notice and publishing requirements for each proposal to commence a major trading undertaking or enter into a major land transaction or a land transaction that is preparatory to a major land transaction for 2022?	N/A	
5	s3.59(5)	During 2022, did the council resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	

Delegation of Power/Duty				
No	Reference	Question	Response	Comments
1	s5.16	Were all delegations to committees resolved by absolute majority?	N/A	No Committees have been delegated authority
2	s5.16	Were all delegations to committees in writing?	N/A	
3	s5.17	Were all delegations to committees within the limits specified in section 5.17 of the Local Government Act 1995?	N/A	
4	s5.18	Were all delegations to committees recorded in a register of delegations?	N/A	
5	s5.18	Has council reviewed delegations to its committees in the 2021/2022 financial year?	N/A	

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6	s5.42(1) & s5.43 Admin Reg 18G	Did the powers and duties delegated to the CEO exclude those listed in section 5.43 of the Local Government Act 1995?	Yes	
7	s5.42(1)	Were all delegations to the CEO resolved by an absolute majority?	Yes	Ordinary Council meeting held on 31 August 2022 Item 10.1
8	s5.42(2)	Were all delegations to the CEO in writing?	Yes	
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	
10	s5.16(3)(b) & s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	N/A	
11	s5.46(1)	Has the CEO kept a register of all delegations made under Division 4 of the Act to the CEO and to employees?	Yes	
12	s5.46(2)	Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2021/2022 financial year?	Yes	
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record in accordance with Local Government (Administration) Regulations 1996, regulation 19?	Yes	

Disclosure of Interest				
No	Reference	Question	Response	Comments
1	s5.67	Where a council member disclosed an interest in a matter and did not have participation approval under sections 5.68 or 5.69 of the Local Government Act 1995, did the council member ensure that they did not remain present to participate in discussion or decision making relating to the matter?	Yes	
2	s5.68(2) & s5.69(5) Admin Reg 21A	Were all decisions regarding participation approval, including the extent of participation allowed and, where relevant, the information required by the Local Government (Administration) Regulations 1996 regulation 21A, recorded in the minutes of the relevant council or committee meeting?	N/A	No requests from Councillors to participate when an interest was declared
3	s5.73	Were disclosures under sections 5.65, 5.70 or 5.71A(3) of the Local Government Act 1995 recorded in the minutes of the meeting at which the disclosures were made?	Yes	
4	s5.75 Admin Reg 22, Form 2	Was a primary return in the prescribed form lodged by all relevant persons within three months of their start day?	Yes	

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5	s5.76 Admin Reg 23, Form 3	Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2022?	Yes	
6	s5.77	On receipt of a primary or annual return, did the CEO, or the mayor/president, give written acknowledgment of having received the return?	Yes	
7	s5.88(1) & (2)(a)	Did the CEO keep a register of financial interests which contained the returns lodged under sections 5.75 and 5.76 of the Local Government Act 1995?	Yes	
8	s5.88(1) & (2)(b) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70, 5.71 and 5.71A of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28?	Yes	
9	s5.88(3)	When a person ceased to be a person required to lodge a return under sections 5.75 and 5.76 of the Local Government Act 1995, did the CEO remove from the register all returns relating to that person?	Yes	
10	s5.88(4)	Have all returns removed from the register in accordance with section 5.88(3) of the Local Government Act 1995 been kept for a period of at least five years after the person who lodged the return(s) ceased to be a person required to lodge a return?	Yes	
11	s5.89A(1), (2) & (3) Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under sections 5.87A and 5.87B of the Local Government Act 1995, in the form prescribed in the Local Government (Administration) Regulations 1996, regulation 28A?	Yes	
12	s5.89A(5) & (5A)	Did the CEO publish an up-to-date version of the gift register on the local government's website?	Yes	
13	s5.89A(6)	When people cease to be a person who is required to make a disclosure under section 5.87A or 5.87B of the Local Government Act 1995, did the CEO remove from the register all records relating to those people?	Yes	
14	s5.89A(7)	Have copies of all records removed from the register under section 5.89A(6) Local Government Act 1995 been kept for a period of at least five years after the person ceases to be a person required to make a disclosure?	Yes	
15	s5.70(2) & (3)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to council or a committee, did that person disclose the nature and extent of that interest when giving the advice or report?	Yes	

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16	s5.71A & s5.71B(5)	Where council applied to the Minister to allow the CEO to provide advice or a report to which a disclosure under section 5.71A(1) of the Local Government Act 1995 relates, did the application include details of the nature of the interest disclosed and any other information required by the Minister for the purposes of the application?	N/A	
17	s5.71B(6) & s5.71B(7)	Was any decision made by the Minister under section 5.71B(6) of the Local Government Act 1995, recorded in the minutes of the council meeting at which the decision was considered?	N/A	
18	s5.104(1)	Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates within 3 months of the prescribed model code of conduct coming into operation (3 February 2021)?	Yes	Adopted at the Ordinary Council meeting held on the 24 February 2021 Item 9.4
19	s5.104(3) & (4)	Did the local government adopt additional requirements in addition to the model code of conduct? If yes, does it comply with section 5.104(3) and (4) of the Local Government Act 1995?	N/A	
20	s5.104(7)	Has the CEO published an up-to-date version of the code of conduct for council members, committee members and candidates on the local government's website?	Yes	
21	s5.51A(1) & (3)	Has the CEO prepared and implemented a code of conduct to be observed by employee of the local government? If yes, has the CEO published an up-to-date version of the code of conduct for employees on the local government's website?	Yes	Adopted at the Ordinary Council meeting held on the 28 July 2021 Item 12.1

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Disposal of Property				
No	Reference	Question	Response	Comments
1	s3.58(3)	Where the local government disposed of property other than by public auction or tender, did it dispose of the property in accordance with section 3.58(3) of the Local Government Act 1995 (unless section 3.58(5) applies)?	Yes	
2	s3.58(4)	Where the local government disposed of property under section 3.58(3) of the Local Government Act 1995, did it provide details, as prescribed by section 3.58(4) of the Act, in the required local public notice for each disposal of property?	Yes	

Elections				
No	Reference	Question	Response	Comments
1	Elect Regs 30G(1) & (2)	Did the CEO establish and maintain an electoral gift register and ensure that all disclosure of gifts forms completed by candidates and donors and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the forms relating to each candidate in accordance with regulations 30G(1) and 30G(2) of the Local Government (Elections) Regulations 1997?	N/A	No Elections during this period
2	Elect Regs 30G(3) & (4)	Did the CEO remove any disclosure of gifts forms relating to an unsuccessful candidate, or a successful candidate that completed their term of office, from the electoral gift register, and retain those forms separately for a period of at least two years in accordance with regulation 30G(4) of the Local Government (Elections) Regulations 1997?	N/A	
3	Elect Regs 30G(5) & (6)	Did the CEO publish an up-to-date version of the electoral gift register on the local government's official website in accordance with regulation 30G(5) of the Local Government (Elections) Regulations 1997?	N/A	

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Finance				
No	Reference	Question	Response	Comments
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Local Government Act 1995?	Yes	Special Council meeting held on the 7 October 2021 Item 8.1
2	s7.1B	Where the council delegated to its audit committee any powers or duties under Part 7 of the Local Government Act 1995, did it do so by absolute majority?	N/A	
3	s7.9(1)	Was the auditor's report for the financial year ended 30 June 2022 received by the local government by 31 December 2022?	No	
4	s7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under section 7.9(1) of the Local Government Act 1995 required action to be taken, did the local government ensure that appropriate action was undertaken in respect of those matters?	N/A	
5	s7.12A(4)(a) & (4)(b)	Where matters identified as significant were reported in the auditor's report, did the local government prepare a report that stated what action the local government had taken or intended to take with respect to each of those matters? Was a copy of the report given to the Minister within three months of the audit report being received by the local government?	N/A	
6	s7.12A(5)	Within 14 days after the local government gave a report to the Minister under section 7.12A(4)(b) of the Local Government Act 1995, did the CEO publish a copy of the report on the local government's official website?	N/A	
7	Audit Reg 10(1)	Was the auditor's report for the financial year ending 30 June 2022 received by the local government within 30 days of completion of the audit?	N/A	

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Local Government Employees				
No	Reference	Question	Response	Comments
1	s5.36(4) & s5.37(3) Admin Reg 18A	Were all CEO and/or senior employee vacancies advertised in accordance with Local Government (Administration) Regulations 1996, regulation 18A?	N/A	
2	Admin Reg 18E	Was all information provided in applications for the position of CEO true and accurate?	N/A	
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position under section 5.36(4) of the Local Government Act 1995?	N/A	
4	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss senior employee?	N/A	
5	s5.37(2)	Where council rejected a CEO's recommendation to employ or dismiss a senior employee, did it inform the CEO of the reasons for doing so?	N/A	

Official Conduct				
No	Reference	Question	Response	Comments
1	s5.120	Has the local government designated an employee to be its complaints officer?	Yes	
2	s5.121(1) & (2)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that resulted in a finding under section 5.110(2)(a) of the Local Government Act 1995?	Yes	
3	S5.121(2)	Does the complaints register include all information required by section 5.121(2) of the Local Government Act 1995?	Yes	
4	s5.121(3)	Has the CEO published an up-to-date version of the register of the complaints on the local government's official website?	Yes	No Complaints have been received

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Tenders for Providing Goods and Services				
No	Reference	Question	Response	Comments
1	F&G Reg 11A(1) & (3)	Did the local government comply with its current purchasing policy, adopted under the Local Government (Functions and General) Regulations 1996, regulations 11A(1) and (3) in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	Yes	
2	s3.57 F&G Reg 11	Subject to Local Government (Functions and General) Regulations 1996, regulation 11(2), did the local government invite tenders for all contracts for the supply of goods or services where the consideration under the contract was, or was expected to be, worth more than the consideration stated in regulation 11(1) of the Regulations?	Yes	
3	F&G Regs 11(1), 12(2), 13, & 14(1), (3), and (4)	When regulations 11(1), 12(2) or 13 of the Local Government Functions and General) Regulations 1996, required tenders to be publicly invited, did the local government invite tenders via Statewide public notice in accordance with Regulation 14(3) and (4)?	Yes	
4	F&G Reg 12	Did the local government comply with Local Government (Functions and General) Regulations 1996, Regulation 12 when deciding to enter into multiple contracts rather than a single contract?	N/A	
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents, or each acceptable tenderer notice of the variation?	N/A	
6	F&G Regs 15 & 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 15 and 16?	Yes	
7	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulation 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?	Yes	

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8	F&G Reg 18(1)	Did the local government reject any tenders that were not submitted at the place, and within the time, specified in the invitation to tender?	N/A	
9	F&G Reg 18(4)	Were all tenders that were not rejected assessed by the local government via a written evaluation of the extent to which each tender satisfies the criteria for deciding which tender to accept?	Yes	
10	F&G Reg 19	Did the CEO give each tenderer written notice containing particulars of the successful tender or advising that no tender was accepted?	Yes	
11	F&G Regs 21 & 22	Did the local government's advertising and expression of interest processes comply with the requirements of the Local Government (Functions and General) Regulations 1996, Regulations 21 and 22?	N/A	
12	F&G Reg 23(1) & (2)	Did the local government reject any expressions of interest that were not submitted at the place, and within the time, specified in the notice or that failed to comply with any other requirement specified in the notice?	N/A	
13	F&G Reg 23(3) & (4)	Were all expressions of interest that were not rejected under the Local Government (Functions and General) Regulations 1996, Regulation 23(1) & (2) assessed by the local government? Did the CEO list each person as an acceptable tenderer?	N/A	
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest a notice in writing of the outcome in accordance with Local Government (Functions and General) Regulations 1996, Regulation 24?	N/A	
15	F&G Regs 24AD(2) & (4) and 24AE	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice in accordance with Local Government (Functions & General) Regulations 1996 regulations 24AD(4) and 24AE?	N/A	
16	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application notice of the variation?	N/A	
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 16, as if the reference in that regulation to a tender were a reference to a pre-qualified supplier panel application?	N/A	

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18	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24AG?	N/A	
19	F&G Reg 24AH(1)	Did the local government reject any applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time, specified in the invitation for applications?	N/A	
20	F&G Reg 24AH(3)	Were all applications that were not rejected assessed by the local government via a written evaluation of the extent to which each application satisfies the criteria for deciding which application to accept?	N/A	
21	F&G Reg 24AI	Did the CEO send each applicant written notice advising them of the outcome of their application?	N/A	
22	F&G Regs 24E & 24F	Where the local government gave regional price preference, did the local government comply with the requirements of Local Government (Functions and General) Regulations 1996, Regulation 24E and 24F?	N/A	

Integrated Planning and Reporting				
No	Reference	Question	Response	Comments
1	Admin Reg 19C	Has the local government adopted by absolute majority a strategic community plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	25/03/2020 Adopted at the Ordinary Council meeting held on the 20 December 2017 Item 19.1 - Reviewed at the Ordinary Council meeting held on the 25 March 2020 Item 11.3
2	Admin Reg 19DA(1) & (4)	Has the local government adopted by absolute majority a corporate business plan? If Yes, please provide the adoption date or the date of the most recent review in the Comments section?	Yes	30/06/2021 Adopted at the Ordinary Council meeting held on the 30 June 2021 Item 12.3
3	Admin Reg 19DA(2) & (3)	Does the corporate business plan comply with the requirements of Local Government (Administration) Regulations 1996 19DA(2) & (3)?	Yes	

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Optional Questions				
No	Reference	Question	Response	Comments
1	Financial Management Reg 5(2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with the Local Government (Financial Management) Regulations 1996 regulations 5(2)(c) within the three financial years prior to 31 December 2022? If yes, please provide the date of council's resolution to accept the report.	Yes	31/07/2019 Adopted at the Ordinary Council meeting held on the 31 July 2019 at Item 12.4
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulations 1996 regulation 17 within the three financial years prior to 31 December 2022? If yes, please provide date of council's resolution to accept the report.	Yes	31/07/2019 Adopted at the Ordinary Council meeting held on the 31 July 2019 at Item 12.4
3	s5.87C	Where a disclosure was made under sections 5.87A or 5.87B of the Local Government Act 1995, were the disclosures made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C of the Act?	Yes	
4	s5.90A(2) & (5)	Did the local government prepare, adopt by absolute majority and publish an up-to-date version on the local government's website, a policy dealing with the attendance of council members and the CEO at events?	Yes	
5	s5.96A(1), (2), (3) & (4)	Did the CEO publish information on the local government's website in accordance with sections 5.96A(1), (2), (3), and (4) of the Local Government Act 1995?	Yes	
6	s5.128(1)	Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?	Yes	
7	s5.127	Did the local government prepare a report on the training completed by council members in the 2021/2022 financial year and publish it on the local government's official website by 31 July 2022?	Yes	

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Department of
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and Cultural Industries**

8	s6.4(3)	By 30 September 2022, did the local government submit to its auditor the balanced accounts and annual financial report for the year ending 30 June 2022?	Yes	
9	s.6.2(3)	When adopting the annual budget, did the local government take into account all its expenditure, revenue and income?	Yes	

Chief Executive Officer

Date

Mayor/President

Date

29 MARCH 2023

AC5.2 BUDGET REVIEW 2022/2023
FM00005

Author

Executive Manager Finance and Administration

Disclosure of Any Interest

Nil

Moved Cr Vankova
Seconded Cr Smith

Cr Ridgley entered the Council Chamber at 1.19 pm.

Audit Committee Resolution

That the Audit Committee recommend that Council -

- 1. Accepts the budget review as presented;**
- 2. Adopts the revised budget figures as budget amendments for the year ending 30 June 2023; and**
- 3. Adopts the amended transfers to and from reserves for the year ended 30 June 2023.**

5/0 CARRIED BY ABSOLUTE MAJORITY

Background

Local Governments are required to conduct a budget review between 1 January and 31 March each financial year. This is a requirement covered by Regulation 33A of the *Local Government (Financial Management) Regulations 1996*. The intention of the legislation is to ensure Local Governments conduct at least one budget review between six and nine months into a financial year.

A budget review is a detailed comparison of the year-to-date actual results with the adopted budget. It determines whether the budget figures adopted by Council in July are still relevant and amends these figures to reflect the change in circumstances over the last 6 months.

Regulation 33A (2) and (3) of the Financial Management Regulations requires the results of the budget review to be submitted to Council within 30 days of the review. Council is then to consider the review and determine whether or not to adopt the review.

Regulation 33A(4) states that within 30 days after Council has made a determination, a copy of the review and determination is to be provided to the Department of Local Government.

Comment

The budget has been reviewed to continue to deliver on strategies adopted by the Council and the maintenance of a high level of service across all programs. Attached is a report on the budget changes for Council's information.

29 MARCH 2023

The actual opening surplus on the statement of financial activity as at 1 July 2022 was \$2,043,803 which is \$7,096 less than the estimated opening surplus of \$2,050,899.

Operating Revenue

Amendments to the original operating revenue budget resulted in an overall increase in revenue of \$446,146. This is mainly due to the increase from Interim and Back Rates (\$20,012), Rate Book Enquiry Fee and Penalty Interest \$(5,500), Interest on Investments (\$71,235), Grants Commission General and Road Grants (\$178,965), Increase in Insurance Reimbursements (\$55,070), Increase in Refuse Site Fees \$(10,000), Planning Fees (\$2,150), Road Preservation Grant (\$2,843), Camping Fees and Caravan Park Registrations (\$4,702) and Profit on Sale of Assets (\$93,771).

Operating Expenditure

Overall, the amendments have increased the operating expenditure budget by \$308,006. The variance consists of increase in Governance (\$4,919), Rates Pensioner Deferment and SLIP Subscription (\$4,480), Health Services Provision (\$3,000), Domestic Refuse Collection (\$11,475), TV Receiver/Transmitter Maintenance (\$14,795), Depot Operating and Maintenance (\$20,000), Crossovers (\$40,000), Maintenance Drainage and Entry Statements (\$19,400), Bollard and Monument Vandalism (\$28,091), Beats in the Bay (\$14,000), Depreciation (\$77,004) and reduction in recovery of Plant Operating Costs allocated to Projects (\$153,590). This has been offset by reductions in Town Planning Scheme (\$10,000), Recycling Service Reviews (\$1,500) and Loss on Disposal of Assets.

Capital Revenue

Capital Revenue has increased by \$182,003. This is due to Regional Road Group increased funding for Useless Loop Road \$(9,667) and increased trade in values on sale of plant (\$172,336).

Capital Expenditure

Capital expenditure has increased by \$101,867. This is due to increases in Pensioner Unit Upgrades (\$30,000), SBDC Roof Upgrades (\$21,766), Regional Road Group Useless Loop Upgrades (\$14,500), Little Lagoon Infrastructure (\$4,000), and additional cost in new Plant and Equipment (\$31,601) which was funded by increases in trade in values.

Note 8 of the attached report shows the detail of the capital expenditure.

Financing

The area focuses mainly on transfer to and from reserves and debenture repayments and shows a net increase of \$124,763

The transfer from reserves has decreased by \$79,269 as a result of reduction in plant replacement reserve funds as a result of increased plant trade in values.

The transfer to reserves has increased by \$45,494 which is mainly attributable to the increase in interest from investments quarantined to the reserve accounts.

There has been no change to debenture repayments.

Note 3 in the attached report shows the amended budget for reserve action for

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

2022/2023.

Overall Result

Overall the closing funds will remain balanced with a nil surplus/deficit as a result of this budget review.

Legal Implications

Regulation 33A of the *Local Government (Financial Management) Regulations 1996* requires a Local Government to conduct a budget review between 1 January and 31 March each financial year.

Policy Implications

There are no policy implications associated with this report.

Financial Implications

The amendments result in a nil surplus and more accurately reflect the predicted revenue and expenditure on projects.

Strategic Implications

The budget review has been developed, taking into account the objectives of the Shire of Shark Bay's Strategic Community Plan 2021 and Corporate Business Plan. There are no new initiatives in this budget review which require an amendment to the Corporate Business Plan.

Risk Management

There is a requirement under the *Local Government (Financial Management) Regulations 1996* that a budget review be undertaken and therefore Council needs comply with the legislation. Therefore, to not adopt a recommendation would present a high risk to Council.

Voting Requirements

Absolute Majority Required

Signatures

Author

A Pears

Chief Executive Officer

D Chapman

Date of Report

22 March 2023

29 MARCH 2023

Shire of Shark Bay	
BUDGET REVIEW FINANCIAL REPORT	
JANUARY 2023	
LOCAL GOVERNMENT ACT 1995	
LOCAL GOVERNMENT (FINANCIAL MANAGEMENT) REGULATIONS 1996	
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SHIRE OF SHARK BAY							
STATEMENT OF FINANCIAL ACTIVITY							
(Statutory Reporting Program)							
January 2023							
	Note	Original Budget	Actual to 31 January 2023	Amended Annual Budget	Variance	Timing / Permanent	Comments
Operating Revenues		\$	\$	\$			
Governance		19,788	14,517	34,307	14,519	Permanent	Increase due to Admin Building Insurance Claim and Reduction in Profit on Sale of Asset
General Purpose Funding - Rates	5	1,510,025	1,516,813	1,530,037	20,012	Permanent	Increase due to Interim and Back Rates not previously included in Budget.
General Purpose Funding - Other		519,647	408,869	775,347	255,700	Permanent	Increase due to in Grants Commission General and Road Grants, Rates Book Enquiry Fees, Penalty Interest on Rates and Interest Earned on Investments.
Law, Order and Public Safety		106,884	38,890	106,884	0		No Change.
Health		2,600	849	2,600	0		No Change.
Housing		100,375	52,568	100,375	0		No Change.
Community Amenities		374,631	330,843	386,781	12,150	Permanent	Increase in Refuse Site Fees and Planning Fees
Recreation and Culture		363,220	241,699	378,015	14,795	Permanent	Increase due to Insurance Reimbursements for TV Satellite and Reimbursements for Child Care Centre Building
Transport		529,801	450,339	559,209	29,408	Permanent	Increase in Road Preservation Grant and Insurance Reimbursement for Bollard and Monument Vandalism Damage
Economic Services		1,021,140	444,684	1,025,842	4,702	Permanent	Increase in Grant - Gascoyne Development Commission (Beats in the Bay), Camping Fees and Caravan Park Registrations
Other Property and Services		25,000	90,349	119,860	94,860	Permanent	Increase due to Profit on Sale of Assets
Total Operating Revenue		4,573,111	3,590,420	5,019,257	446,146		
Operating Expense							
Governance		(463,230)	(182,708)	(468,149)	(4,919)	Permanent	Increase in Strategic Planning and Fair Valuation, Hardware Purchases less than \$5K, Officer Furniture and Equipment less than \$5K and Shire Office Maintenance. This has been offset by reduction in Regulation 17 Review, Elected Members Training, Shire Rebranding, Legal Expenditure and Workers Compensation Insurance Refund.
General Purpose Funding		(103,749)	(55,884)	(108,229)	(4,480)	Permanent	Increases in Pensioner Deferment Audit Expenditure and SUP Annual Subscription for Rate Purposes
Law, Order and Public Safety		(321,637)	(133,734)	(324,752)	(3,115)	Permanent	Increase in Depreciation - Buildings.
Health		(108,225)	(43,060)	(111,225)	(3,000)	Permanent	Increase in Health Services Provision Expenditure
Housing		(208,111)	(146,774)	(210,027)	(1,916)	Permanent	Increases in Depreciation - Buildings
Community Amenities		(728,161)	(407,541)	(730,496)	(2,335)	Permanent	Increase in Domestic Refuse Collection and Depreciation - Buildings offset by reduction in Recycling Service Review and Town Planning Scheme Expenditure.
Recreation and Culture		(2,177,493)	(1,177,488)	(2,208,083)	(30,590)	Permanent	Increases in Depreciation - Buildings, Public Facilities and Heritage Assets and TV Receiver/Transmitter Maintenance Costs
Transport		(1,794,720)	(1,244,382)	(1,943,511)	(148,791)	Permanent	Increases in Depot Operating and Maintenance, Depreciation - Land and Buildings, Plant and Equipment, Roads and Infrastructure, Crossovers, Drainage/Sump and Entry Statement Maintenance and Repairs to Bollards and Monument Vandalism Expenditure
Economic Services		(1,277,881)	(593,729)	(1,291,881)	(14,000)	Permanent	Increase due to Beats in the Bay Expenditure carried forward from the previous year.
Other Property and Services		(26,000)	(31,658)	(120,860)	(94,860)	Permanent	Increase due to reduction in Plant Operating Cost Allocation to Projects due to reduction in Loss on Sale of Asset and Increase in Depreciation - Plant and Equipment
Total Operating Expenditure		(7,209,207)	(4,016,958)	(7,517,213)	(308,006)		

MINUTES OF THE AUDIT COMMITTEE MEETING

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Funding Balance Adjustments						
Add back Depreciation		1,805,485	1,103,320	1,882,489	77,004	
Adjust (Profit)/Loss on Asset Disposal	4	69,605	(97,937)	(93,816)	(163,421)	Permanent / Timing
Adjust Provisions and Accruals		0	0	0	0	
Net Cash from Operations		(761,006)	578,845	(709,283)	51,723	
Capital Revenues						
Grants, Subsidies and Contributions	7	1,382,416	91,697	1,392,083	9,667	Permanent
Proceeds from Disposal of Assets	4	439,455	427,727	611,791	172,336	Permanent
Total Capital Revenues		1,821,871	519,424	2,003,874	182,003	
Capital Expenses						
Land and Buildings - Non Specialised	8	(185,000)	(38,924)	(215,000)	(30,000)	Permanent
Land and Buildings - Specialised	8	(460,000)	(51,495)	(481,766)	(21,766)	Permanent
Heritage Assets	8	(45,000)	(9,451)	(45,000)	0	
Infrastructure - Roads Other	8	(547,137)	(41,130)	(561,637)	(14,500)	Permanent
Infrastructure - Roads Town	8	(427,425)	0	(427,425)	0	Permanent
Infrastructure - Public Facilities	8	(352,100)	(6,818)	(356,100)	(4,000)	Permanent
Infrastructure - Footpaths	8	(276,350)	0	(276,350)	0	
Plant and Equipment	8	(1,121,950)	(864,279)	(1,153,551)	(31,601)	Permanent
Furniture and Equipment	8	(38,956)	(21,629)	(38,956)	0	
Total Capital Expenditure		(3,453,918)	(1,033,726)	(3,555,785)	(101,867)	
Net Cash from Capital Activities		(1,632,047)	(514,302)	(1,551,911)	80,136	
Financing						
Transfer from Reserves	3	1,448,001	0	1,368,732	(79,269)	
Repayment of Debentures	6	(69,277)	(34,366)	(69,277)	0	
Transfer to Reserves	3	(1,036,570)	(18,856)	(1,082,064)	(45,494)	
Net Cash from Financing Activities		342,154	(53,222)	217,391	(124,763)	
Net Operations, Capital and Financing		(2,050,899)	11,321	(2,043,803)	7,096	
Opening Funding Surplus(Deficit)	1	2,050,899	2,043,803	2,043,803	(7,096)	
Closing Funding Surplus(Deficit)	1	0	2,055,124	0	0	
NOTE: Note 3 shows the detail of changes to budgets.						

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

SHIRE OF SHARK BAY					
STATEMENT OF BUDGET AMENDMENTS					
January 2023					
	Note	Original Budget	Actual to 31 January 2023	Amended Annual Budget	Variance
Operating Revenues		\$		\$	\$
Rates	5	1,510,025	1,516,813	1,530,037	20,012
Specified Area Rates	5	36,616	36,616	36,616	0
Operating Grants, Subsidies and Contributions	7	1,119,634	827,973	1,301,942	182,308
Fees and Charges		1,740,000	944,133	1,760,250	20,250
Interest Earnings		9,155	38,201	82,890	73,735
Other Revenue		123,406	126,887	179,476	56,070
Profit on Disposal of Assets	4	34,275	99,797	128,046	93,771
Total Operating Revenue		4,573,111	3,590,420	5,019,257	446,146
Operating Expense					
Employee Costs		(2,474,103)	(1,410,272)	(2,430,586)	43,517
Materials and Contracts		(2,193,803)	(1,068,042)	(2,524,375)	(330,572)
Utility Charges		(185,721)	(81,463)	(185,721)	0
Depreciation on Non-Current Assets		(1,805,485)	(1,103,320)	(1,882,489)	(77,004)
Interest Expenses		(21,959)	(7,910)	(21,959)	0
Insurance Expenses		(200,882)	(217,501)	(214,479)	(13,597)
Other Expenditure		(223,374)	(126,590)	(223,374)	0
Loss on Disposal of Assets	4	(103,880)	(1,860)	(34,230)	
Total Operating Expenditure		(7,209,207)	(4,016,958)	(7,517,213)	(377,656)
Funding Balance Adjustments					
Add back Depreciation		1,805,485	1,103,320	1,882,489	77,004
Adjust (Profit)/Loss on Asset Disposal	4	69,605	(97,937)	(93,816)	(163,421)
Adjust Provisions and Accruals		0	0	0	0
Net Cash from Operations		(761,006)	578,845	(709,283)	(17,927)
Capital Revenues					
Grants, Subsidies and Contributions	7	1,382,416	91,697	1,392,083	9,667
Proceeds from Disposal of Assets	4	439,455	427,727	611,791	172,336
Total Capital Revenues		1,821,871	519,424	2,003,874	182,003
Capital Expenses					
Land and Buildings - Non Specialised	8	(185,000)	(38,924)	(215,000)	(30,000)
Land and Buildings - Specialised	8	(460,000)	(51,495)	(481,766)	(21,766)
Heritage Assets	8	(45,000)	(9,451)	(45,000)	0
Infrastructure - Roads Other	8	(547,137)	(41,130)	(561,637)	(14,500)
Infrastructure - Roads Town	8	(427,425)	0	(427,425)	0
Infrastructure - Public Facilities	8	(352,100)	(6,818)	(356,100)	(4,000)
Infrastructure - Footpaths	8	(276,350)	0	(276,350)	0
Plant and Equipment	8	(1,121,950)	(864,279)	(1,153,551)	(31,601)
Furniture and Equipment	8	(38,956)	(21,629)	(38,956)	0
Total Capital Expenditure		(3,453,918)	(1,033,726)	(3,555,785)	(101,867)
Net Cash from Capital Activities		(1,632,047)	(514,302)	(1,551,911)	80,136
Financing					
Transfer from Reserves	3	1,448,001	0	1,368,732	(79,269)
Repayment of Debentures	6	(69,277)	(34,366)	(69,277)	0
Transfer to Reserves	3	(1,036,570)	(18,856)	(1,082,064)	(45,494)
Net Cash from Financing Activities		342,154	(53,222)	217,391	(124,763)
Net Operations, Capital and Financing		(2,050,899)	11,321	(2,043,803)	(62,554)
Opening Funding Surplus(Deficit)		2,050,899	2,043,803	2,043,803	(7,096)
Closing Funding Surplus(Deficit)		0	2,055,124	0	(69,650)

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

SHIRE OF SHARK BAY			
STATEMENT OF BUDGET AMENDMENTS			
January 2023			
Capital Acquisitions	Note	Amended Budget	Original Budget
		\$	\$
Land and Buildings - Non Specialised	13	(215,000)	(185,000)
Land and Buildings - Specialised	13	(481,766)	(460,000)
Infrastructure Assets - Roads Other	13	(561,637)	(547,137)
Infrastructure Assets - Roads Town	13	(427,425)	(427,425)
Infrastructure Assets - Public Facilities	13	(356,100)	(352,100)
Infrastructure Assets - Footpaths	13	(276,350)	(276,350)
Heritage Assets	13	(45,000)	(45,000)
Plant and Equipment	13	(1,153,551)	(1,121,950)
Furniture and Equipment	13	(38,956)	(38,956)
Capital Expenditure Totals		(3,555,785)	(3,453,918)

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

Shire of Shark Bay					
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY					
January 2023					
Note 1: NET CURRENT FUNDING POSITION					
		Positive=Surplus (Negative=Deficit)			
		Note	YTD 31 January 2023	30 June 2022	31 January 2022
			\$	\$	\$
Current Assets					
	Cash Unrestricted		2,836,459	3,255,338	2,347,096
	Cash Restricted		4,637,314	4,618,458	3,903,469
	Receivables - Rates		232,452	34,985	145,803
	Receivables -Other		28,600	42,634	203,908
	Interest / ATO Receivable/Trust		40,095	21,304	22,455
	Inventories		140,182	140,182	122,914
	Other Assets		78,145	149,457	
			7,993,247	8,262,358	6,745,645
Less: Current Liabilities					
	Payables		(190,997)	(698,419)	(185,497)
	Provisions		(241,048)	(246,534)	(219,964)
	Contract Liabilities		(845,605)	(628,325)	(401,680)
	Bond Liability (Formally Trust Account)		(23,159)	(26,819)	(22,954)
			(1,300,809)	(1,600,097)	(830,095)
	Less: Cash Reserves		(4,637,314)	(4,618,458)	(3,903,469)
	Net Current Funding Position		2,055,124	2,043,803	2,012,081

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

SHIRE OF SHARK BAY							
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY							
January 2023							
Note 2: BUDGET AMENDMENTS							
Program	Ledger No.	Description	Non Cash Adjustment	Increase in Available Cash	Decrease in Available Cash	Amended Budget Running Balance	
			\$	\$	\$	\$	
		Opening Surplus			(7,096)	(7,096)	
General Purpose Funding	Rates	00102910 Pensioner Deferment Audits			(2,250)	(9,346)	
		00102915 SLIP Annual Subscription			(2,230)	(11,576)	
		00103075 Interim Rates UV - Exploration		10,681		(895)	
		00103080 Interim Rates GRV - Residential		1,676		781	
		00103084 Interim Rates GRV - Rural Commercial		1,690		2,471	
		00103085 Interim Rates GRV - Vacant		2,287		4,758	
		00103111 Back Rates GRV - Vacant		74		4,832	
		00103114 Back Rates GRV - Resort		1,061		5,893	
		00103130 Back Rates UV - Exploration		2,543		8,436	
	General Puposue Income	00103765 Rate Book Enquiry Fee		3,000		11,436	
		00104180 Penalty Interest on Rates		2,500		13,936	
	Interest On Investments	00203245 Grants Commission - General		154,742		168,678	
		00203246 Grants Commission - Roads		24,223		192,901	
		00304120 Interest Earned - Infrastructure Reserve		24,000		216,901	
		00304125 Interest Earned - Pensioner Unit Reserve		1,820		218,721	
		00304130 Interest Earned - Recreation Facilities Replacement Reserve		4,000		222,721	
		00304132 Interest Earned - Plant Replacement Reserve		6,400		229,121	
		00304133 Interest Earned - Monkey Mia Jetty Reserve		175		229,296	
		00304134 Interest Earned - Shared Fire System Reserve		260		229,556	
		00304136 Interest Earned - Leave Reserve		1,580		231,136	
		00304140 Interest Earned - Investments		33,000		264,136	
Governance	Members Of Council	05101281 Strategic Planning			(10,000)	254,136	
		05101300 Fair Value Valuations			(10,000)	244,136	
		05101404 Reg 17 Review		6,000		250,136	
		05102615 Elected Members Training		3,600		253,736	
		05102616 Shire Rebranding		20,000		273,736	
	Administration Other	05200685 Insurance - Workers Compensation		4,574		278,310	
		05200928 Hardware Purchases < \$5k			(1,285)	277,025	
		05200951 Office Furniture and Equipment < \$5k			(2,000)	275,025	
		05201302 Depreciation - Furniture & Equipment	(1,698)			275,025	
		05202580 Legal Expenses		2,000		277,025	
		05202581 Maintenance - Shire Office			(16,110)	260,915	
		05204250 Profit on Sale of Asset	(191)	14,710		275,625	
		05204405 Insurance Reimbursement				275,625	
		05204250 Profit on Sale of Asset		5,667		281,292	
		05204405 Insurance Reimbursement			(1,167)	280,125	

MINUTES OF THE AUDIT COMMITTEE MEETING

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Law, Order And Public Safety	Other Law, Order & Public Safety	10301303	Depreciation - Buildings	(3,115)			280,125
Health	Other Health	15302505	Health Services Provision Expenses			(3,000)	277,125
Housing	Pensioner Units	25101303	Depreciation - Buildings	(1,996)			277,125
		25104785	Pensioner Units Capital Works			(30,000)	247,125
Community Amenities	Sanitation - Household Refuse	30102465	Domestic Refuse Collection			(11,475)	235,650
	Sanitation Other	30202824	Recycling Service Review		1,500		237,150
		30203720	Refuse Site Fees		10,000		247,150
	Town Planning & Regional Develop	30302859	Town Planning Schemes		10,000		257,150
		30303761	Planning Orders & Requisitions		2,150		259,300
	Other Community Amenities	30401303	Depreciation - Buildings	(2,360)			259,300
Recreation And Culture	Public Hall & Civic Centres	35101303	Depreciation - Buildings	(5,190)			259,300
		35101310	Depreciation - Heritage Assets	(3,895)			259,300
		35103908	Reimbursement Child Care Centre		1,000		260,300
		35201304	Depreciation - Public Facility	(165)			260,300
	Other Recreation & Sport	35301302	Depreciation - Furn & Equip	1,780			260,300
		35301304	Depreciation - Public Facility	(1,025)			260,300
		35301305	Depreciation - Buildings	(2,120)			260,300
		35302284	Little Lagoon Upgrades, Gazebo, Bollards and Signage			(4,000)	256,300
	Tv & Radio Re-Broadcasting	35401471	Insurance Reimbursement - TV Satellite		13,795		270,095
		35402255	TV Receiver/Transmitter			(14,795)	255,300
	World Heritage	36001302	Depreciation - Furniture and Equipment (SBDC)	(4,385)			255,300
		36001303	Depreciation - Buildings	(795)			255,300
		36004994	SBDC Roof Upgrade			(21,766)	233,534
Transport	Streets, Roads, Bridges, Depots	45100761	Maintenance and Operating - Depot			(20,000)	213,534
		45101303	Depreciation - Land & Building	(170)			213,534
		45101305	Depreciation - Roads (Non Town	(16,035)			213,534
		45101306	Depreciation - Town Streets	(11,490)			213,534
		45101307	Depreciation - Footpaths	(11,300)			213,534
		45101308	Depreciation - Drain & Culvert	(2,290)			213,534
		45101309	Depreciation - Streetscapes	1,150			213,534
		45101941	Crossovers			(40,000)	173,534
		45102001	Maintenance - Drainage/Sump			(15,500)	158,034
		45102051	Maintenance - Entry Statements			(4,000)	154,034
		45103270	Road Preservation Grant		2,843		156,877
		45103365	RRG Grants - Capital Projects		9,667		166,544
		45103386	Insurance Reimbursements		26,565		193,109
		45185796	Insurance - Bollards and Monument Lights Expenditure				193,109
		45165670	Regional Roads Group - RRG			(14,500)	178,609
		45185796	Insurance - Bollards and Monument Lights Expenditure			(28,091)	150,518

MINUTES OF THE AUDIT COMMITTEE MEETING

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	Road Plant Purchases	45201301	Depreciation - Plant & Equip.	(1,065)			150,518
		45205499	Dual Cab Ute - Town Supervisor			(4,592)	145,926
		45205500	Grader		9,185		155,111
		45205501	Town Truck - 5 Tonne			(35,927)	119,184
		45205502	Town Truck - 3 Tonne		2,876		122,060
		45205507	Dual Cab Ute - Works Manager			(1,884)	120,176
		45205516	Dual Cab Ute - Country			(4,592)	115,584
Economic Services	Community Development	50102750	Community Events and Festivals			(14,000)	101,584
		50104002	EMCD Vehicle			(1,167)	100,417
		50104250	Profit on Sale of Assets	(898)			100,417
	Tourism & Area Promotion	50103869	Grant - Gascoyne Development Commission - Beats in the Bay		500		100,917
		50203850	Camping fees		4,200		105,117
		50203855	Caravan Park Registration		900		106,017
Other Property And Services	Plant Operation Costs	55201502	Loss On Sale Of Asset	69,650			106,017
		55201585	Less Plant Operating Costs Allocated Works/Services			(153,590)	(47,573)
		55201623	Plant Operating Costs - Deprec	(10,920)			(47,573)
		55204250	Profit On Sale Of Assets	94,860			(47,573)
			Proceeds from Sale of Assets		172,336		124,763
			Transfer from Reserves			(79,269)	45,494
			Transfer to Reserves			(45,494)	0
					599,780	(599,780)	0

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

Shire of Shark Bay									
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY									
January 2023									
Note 3: CASH BACKED RESERVE									
Name	Opening Balance	Original Budget Interest Earned	Amended Budget Interest Earned	Original Budget Transfers In (+)	Amended Budget Transfers In (+)	Original Budget Transfers Out (-)	Amended Budget Transfers Out (-)	Original Budget Closing Balance	Amended Budget Closing Balance
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Infrastructure Reserve	2,950,046	2,000	26,000	593,015	560,574	(675,506)	(697,272)	2,869,555	2,839,348
Pensioner Unit Maintenance Reserve	191,251	180	2,000	40,000	70,000	(40,000)	(70,000)	191,431	193,251
Recreation Facility Replacement/Upgrade Res.	484,801	500	4,500	50,000	50,000	(50,000)	(50,000)	485,301	489,301
Plant Replacement Reserve	744,743	600	7,000	350,000	359,700	(682,495)	(551,460)	412,848	559,983
Leave Reserve	195,752	220	1,800	0	0	0	0	195,972	197,552
Monkey Mia Jetty Reserve	22,180	25	200	0	0	0	0	22,205	22,380
Shared Fire Fighting System Reserve	29,685	30	290	0	0	0	0	29,715	29,975
	4,618,458	3,555	41,790	1,033,015	1,040,274	(1,448,001)	(1,368,732)	4,207,027	4,331,790

MINUTES OF THE AUDIT COMMITTEE MEETING

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Shire of Shark Bay								
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY								
January 2023								
Note 4: CAPITAL DISPOSALS								
Actual YTD Profit/(Loss) of Asset Disposal					Amended Budget			Comments
Cost	Accum Depr	Proceeds	Profit (Loss)		Amended Annual Budget Profit/(Loss)	Actual Profit/(Loss)	Variance	
\$	\$	\$	\$		\$	\$	\$	
				Plant and Equipment				
				Governance				
0	0	0	0	CEO Vehicle	5,080	0	(5,080)	Vehicle due to be traded in June 2023
27,374	(18,255)	23,636	14,517	EMFA Vehicle	14,517	14,517	0	Project Complete
				Economic Services				
27,449	(17,402)	23,636	13,589	EMCD Vehicle	13,589	13,589	0	Project Complete
				Transport				
53,917	(13,666)	45,455	5,204	Dual Cab Ute - Works Manager	5,204	5,204	0	Project Complete
39,780	(20,533)	35,000	15,753	Dual Cab Ute - Town Gardener	15,753	15,753	0	Project Complete
0	0	0	0	Dual Cab Ute - Town Supervisor	9,245	0	(9,245)	Vehicle due to be traded in June 2023
0	0	0	0	Dual Cab Ute - Country Supervisor	7,426	0	(7,426)	Vehicle due to be traded in June 2023
65,000	(13,140)	50,000	(1,860)	Town Truck - 5 Tonne	(1,860)	(1,860)	0	Project Complete
35,000	(8,342)	35,000	8,342	Town Truck - 3 Tonne	8,342	8,342	0	Project Complete
0	0	0	0	Dual Cab Truck 4x4	(32,370)	0	32,370	Vehicle due to be traded in May 2023
205,000	(32,392)	215,000	42,392	Grader	42,392	42,392	0	Project Complete
0	0	0	0	Mitsubishi Canter	6,498	0	(6,498)	Vehicle Written Off in Feb 2023
453,520	(123,730)	427,727	97,937		93,816	97,937	4,121	

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

Shire of Shark Bay											
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY											
January 2023											
Note 5: RATING INFORMATION	Rate in \$	Number of Properties	Rateable Value \$	Rate Revenue \$	Interim Rates \$	Back Rates \$	Total Revenue \$	Amended Budget Rate Revenue \$	Amended Budget Interim Rate \$	Amended Budget Back Rate \$	Amended Budget Total Revenue \$
RATE TYPE											
Differential General Rate											
GRV Residential	0.098307	375	5,228,662	514,014	1,676	0	515,690	514,014	1,676	0	515,690
GRV Commercial	0.101026	41	2,333,188	235,713	0	0	235,713	235,713	0	0	235,713
GRV Vacant	0.098307	16	310,500	30,524	2,287	74	32,885	30,524	2,287	74	32,885
GRV Rural Commercial	0.102173	5	324,980	33,204	1,690	0	34,894	33,204	1,690	0	34,894
GRV Industrial/Residential	0.108786	47	648,094	70,504	0	0	70,504	70,504	0	0	70,504
GRV Industrial/Residential Vacant	0.098307	0	0	0	0	0	0	0	0	0	0
GRV Rural Resort	0.107848	2	1,474,650	159,038	0	1,061	160,099	159,038	0	1,061	160,099
UV General	0.197958	7	922,205	182,558	0	0	182,558	182,558	0	0	182,558
UV Pastoral	0.135571	11	544,676	73,842	0	0	73,842	73,842	0	0	73,842
UV Mining	0.270001	1	9,350	2,525	0	0	2,525	2,525	0	0	2,525
UV Exploration	0.259606	14	1,027,524	266,751	0	0	266,751	266,751	10,681	2,543	279,975
Sub-Totals		519	12,823,829	1,568,673	5,653	1,135	1,575,461	1,568,673	16,334	3,678	1,588,685
Minimum Payment											
GRV Residential	833.00	9	54,964	7,497	0	0	7,497	7,497			7,497
GRV Commercial	833.00	17	90,080	14,161	0	0	14,161	14,161			14,161
GRV Vacant	833.00	82	237,625	68,306	0	0	68,306	68,306			68,306
GRV Rural Commercial	833.00	0	0	0	0	0	0	0			0
GRV Industrial/Residential	833.00	3	20,040	2,499	0	0	2,499	2,499			2,499
GRV Industrial/Residential Vacant	520.00	0	0	0	0	0	0	0			0
GRV Rural Resort	833.00	0	0	0	0	0	0	0			0
UV General	875.00	6	9,862	5,250	0	0	5,250	5,250			5,250
UV Pastoral	875.00	0	0	0	0	0	0	0			0
UV Mining	875.00	1	770	875	0	0	875	875			875
UV Exploration	875.00	1	2,190	875	0	0	875	875			875
Sub-Totals		119	415,531	99,463	0	0	99,463	99,463	0	0	99,463
Concessions							(158,111)				(158,111)
Amount from General Rates							1,516,813				1,530,037
Specified Area Rates							36,616				36,616
Totals							1,553,429				1,566,653

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

Shire of Shark Bay											
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY											
January 2023											
6. INFORMATION ON BORROWINGS											
(a) Debenture Repayments											
Particulars	Principal 1-Jul-21	New Loans	Principal Repayments			Principal Outstanding			Interest Repayments		
			Actual \$	Original Budget \$	Amended Budget \$	Actual \$	Original Budget \$	Amended Budget \$	Actual \$	Original Budget \$	Amended Budget \$
Loan 57 - Monkey Mia Bore	35,709	0	17,675	35,709	35,709	18,034	0	0	482	907	907
Loan 58 - Town Oval Bore	735,067	0	16,691	33,568	33,568	718,376	701,499	701,499	7,428	21,052	21,052
	770,776	0	34,366	69,277	69,277	736,410	701,499	701,499	7,910	21,959	21,959

All debenture repayments are financed by general purpose revenue except Loan 57 which is funded through a Specified Area Rate.

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

Shire of Shark Bay					
NOTES TO THE STATEMENT OF FINANCIAL ACTIVITY					
January 2023					
Note 7: GRANTS AND CONTRIBUTIONS					
Program/Details	Grant Provider	Original Budget	Amended Budget	Operating	Capital
		\$	\$	\$	\$
GENERAL PURPOSE FUNDING					
Grants Commission - General	WALGGC	386,892	541,634	541,634	0
Grants Commission - Roads	WALGGC	63,746	87,969	87,969	0
LAW, ORDER, PUBLIC SAFETY					
FESA Grant - Operating Bush Fire Brigade	Dept. of Fire & Emergency Serv.	8,863	8,863	8,863	0
FESA Grant - SES	Dept. of Fire & Emergency Serv.	47,580	47,580	47,580	0
Grant - Preparing Australian Communities - Local Stream	Department of Industry, Science, Energy and Resources	36,323	36,323	36,323	
RECREATION AND CULTURE					
Contributions - HMAS Sydney Exhibit	Visitors to Discovery Centre	250	250	250	0
Dugong Interactive Zone - SBDC	Lotterywest	18,956	18,956	0	18,956
TRANSPORT					
Road Preservation Grant	State Initiative - Main Roads WA	132,265	135,108	135,108	0
Useless Loop Road - Mtce	Main Roads WA	330,000	330,000	330,000	0
Contributions - Road Projects	Pipeline	10,373	10,373	10,373	0
Roads To Recovery Grant - Cap	Roads to Recovery	297,245	297,245	0	297,245
RRG Grants - Capital Projects	Regional Road Group	328,091	337,758	0	337,758
Local Road and Community Infrastructure	Department of Infrastructure, Transport, Regional Development and Communications	668,124	668,124	0	668,124
Stella Rowley Footpath Grant	Department of Transport	70,000	70,000	0	70,000
ECONOMIC SERVICES					
Thank a Volunteer	Dept of Communities	1,300	1,300	1,300	0
Day Care Provider Subsidy	Dept of Communities	25,000	25,000	25,000	0
GDC Workforce Accommodation Business Case	Gascoyne Development Commission	41,068	41,068	41,068	0
Beats in the Bay	Lotterywest	20,000	20,000	20,000	0
Beats in the Bay	Horizon Power	8,933	8,933	8,933	0
Beats in the Bay	RAC Monkey Mia Resport	5,000	5,000	5,000	0

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

	Beats in the Bay	Gascoyne Development Commission	500	500	500	0
	Safe 4WD Exploring Project	Western Australian Police Force	2,041	2,041	2,041	0
	TOTALS		2,502,550	2,694,025	1,301,942	1,392,083
		Original Budget			Amended Budget	
		Operating	1,120,134		Operating	1,301,942
		Non-operating	1,382,416		Non - Operating	1,392,083
			2,502,550			2,694,025

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

Note 8: CAPITAL WORKS PROGRAM 2022/2023					
Assets	Strategic Plan Reference	Responsible Officer	Original Annual Budget	Actual to 31 January	Amended Annual Budget
Land and Buildings - Non Specialised					
Buildings - Non Specialised					
Governance					
Asbestos Removal - Shire Office	3.1, 4.1	WKSM	(80,000)	0	(80,000)
Automatic Sliding Door - Library	7.2	WKSM	(25,000)	0	(25,000)
Governance Total			(105,000)	0	(105,000)
Housing					
Staff Housing - 5 Spaven Way	4.1	CEO	(10,000)		(10,000)
Staff Housing - 65 Brockman St	4.1	EMCD	(10,000)		(10,000)
Staff Housing - 51 Durlacher St	4.1	EMFA	(10,000)		(10,000)
Staff Housing - 80 Durlacher St	4.1	EMCD	(10,000)		(10,000)
Pensioner Unit Roof Upgrade	4.1	EMCD	(30,000)	(30,310)	(60,000)
Pensioner Shed Door Replacement	4.1	EMCD	(10,000)	(8,614)	(10,000)
Housing Total			(80,000)	(38,924)	(110,000)
Land and Buildings - Non Specialised Total			(185,000)	(38,924)	(215,000)
Land and Buildings - Specialised					
Recreation and Culture					
Town Hall Asbestos Removal	3.1, 4.1	CEO	(80,000)	0	(80,000)
Recreation Centre Panel and Paint Renewal	4.1	WKSM	(50,000)		(50,000)
Shark Bay Discovery Centre Airconditioner Upgrade	4.1, 5.1, 5.2	CEO	(300,000)	(37,060)	(300,000)
Shark Bay Discovery Centre Roof Upgrade	4.1, 5.1, 5.3	WKSM	0	0	(21,766)
Electronic Entry System for Town Hall and Recreation Centre	4.1	EMCD	(20,000)	0	(20,000)
Recreation and Culture Total			(450,000)	(37,060)	(471,766)

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

Transport					
Depot - Office Awning	4.1	WKSM	(10,000)	(14,435)	(10,000)
Transport Total			(10,000)	(14,435)	(10,000)
Land and Buildings - Specialised Total			(460,000)	(51,495)	(481,766)
Infrastructure Assets - Public Facilities					
Recreation and Culture					
Sappi Park Garden Bed Removal and Replacement	4.1	WKSM	(11,600)	(6,818)	(11,600)
Hard Shade Structures - Playgrounds	4.1 ,5.1, 5.2	EMCD	(75,000)	0	(75,000)
Disability Beach/Water Access inclusive of Floating Beach Wh	4.1 ,5.1, 5.2	EMCD	(50,000)		(50,000)
Town Ovals and Recreation Reticulation/Resurfacing Upgrade	4.1 ,5.1, 5.2	EMCD	(90,000)		(90,000)
Access Bicycle and Walking Paths Recreation Precinct	4.1 ,5.1, 5.2	WKSM	(30,000)	0	(30,000)
CCTV Upgrades	4.1	EMCD	(50,000)		(50,000)
Little Lagoon Upgrades, Gazebo, Bollards and Signs	4.1 ,5.1 ,5.2	EMCD	0	0	(4,000)
Recreation and Culture Total			(306,600)	(6,818)	(310,600)
Community Amenities					
Shade At Cemetery	4.1	WKSM	(5,500)	0	(5,500)
Hamelin Pool Carpark	4.1	WKSM	(10,000)	0	(10,000)
Community Amenities Total			(15,500)	0	(15,500)
Transport					
Electronic Road Closed Sign	1.1, 4.1	WKSM	(30,000)	0	(30,000)
Transport Total			(30,000)	0	(30,000)
Infrastructure Assets - Public Facilities Total			(352,100)	(6,818)	(356,100)

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

Heritage Assets					
Recreation and Culture					
Stables Refurbishment	4.1	WKSM	(45,000)	(9,451)	(45,000)
Recreation and Culture Total			(45,000)	(9,451)	(45,000)
Heritage Assets Total			(45,000)	(9,451)	(45,000)
Infrastructure- Footpaths					
Transport					
Dual Purpose Path to Lookout - Stella Rowley Drive	1.1, 4.1, 5.2	WSKM	(140,000)	0	(140,000)
Footpath Plan - Hartog Crescent (Hughes plus 245 m)	1.1, 4.1, 5.1	WSKM	(56,350)	0	(56,350)
Problematic Area Street Lighting	1.1, 4.1 ,5.1	WKSM	(80,000)	0	(80,000)
Transport Total			(276,350)	0	(276,350)
Footpaths Total			(276,350)	0	(276,350)
Furniture & Office Equip.					
Governance					
Video Conferencing Equipment	4.1, 7.1	EMFA	(20,000)	0	(20,000)
Governance Total			(20,000)	0	(20,000)
Recreation and Culture					
Dugong Interactive Zone with Hungry Sky Software Project	2.2, 4.1	EMCD	(18,956)	(21,629)	(18,956)
Recreation and Culture Total			(18,956)	(21,629)	(18,956)
Furniture & Office Equip. Total			(38,956)	(21,629)	(38,956)

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

Plant and Equipment					
Governance					
CEO Vehicle	4.1	CEO	(65,000)	0	(59,333)
EMFA Vehicle	4.1	CEO	(40,000)	(41,167)	(41,167)
Governance Total			(105,000)	(41,167)	(100,500)
Transport					
Major Plant Items	4.1	WKSM	(20,000)	0	(20,000)
Dual Cab Ute - Town Gardener	4.1	WKSM	(50,950)	(50,979)	(50,950)
Dual Cab Ute - Town Supervisor	4.1	WKSM	(48,000)	0	(52,592)
Grader	4.1	WKSM	(500,000)	(490,815)	(490,815)
Town Truck - 5 Tonne	4.1	WKSM	(80,000)	(115,927)	(115,927)
Town Truck - 3 Tonne	4.1	WKSM	(65,000)	(62,124)	(62,124)
Dual Cab Ute - Works Manager	4.1	WKSM	(60,000)	(61,884)	(61,884)
Dual Cab Truck 5T	4.1	WKSM	(105,000)	0	(105,000)
Dual Cab Ute - Country	4.1	WKSM	(48,000)	0	(52,592)
Transport Total			(976,950)	(781,729)	(1,011,884)
Economic Services					
EMCD Vehicle	4.1	WKSM	(40,000)	(41,383)	(41,167)
Economic Services Total			(40,000)	(41,383)	(41,167)
Plant and Equipment Total			(1,121,950)	(864,279)	(1,153,551)
Infrastructure - Roads Town					
Transport					
R2R Durlacher Street 22/23	1.1	WKSM	(427,425)	0	(427,425)
Transport Total			(427,425)	0	(427,425)
Infrastructure - Roads Town Total			(427,425)	0	(427,425)

MINUTES OF THE AUDIT COMMITTEE MEETING

29 MARCH 2023

Infrastructure - Roads Other					
Transport					
RRG Eagle Bluff Road 22/23	1.1	WKSM	(145,000)	0	(160,000)
RRG Useless Loop Road 22/23	1.1	WKSM	(402,137)	(41,130)	(401,637)
Transport Total			(547,137)	(41,130)	(561,637)
Infrastructure - Roads Other Total			(547,137)	(41,130)	(561,637)
Capital Expenditure Total			(3,453,918)	(1,033,726)	(3,555,785)

29 MARCH 2023

AC6.0 NEXT AUDIT COMMITTEE MEETING

The next meeting of the Audit Committee will be held as required.

AC7.0 CLOSURE OF MEETING

The Chairperson, Cr Cowell closed the Audit Committee meeting at 1.40 pm.