



SHIRE OF NORTHAM

**MINUTES
OF THE
AUDIT COMMITTEE MEETING
HELD ON
WEDNESDAY
8 DECEMBER 2010**

SHIRE OF NORTHAM

MINUTES OF THE AUDIT COMMITTEE OF COUNCIL MEETING HELD ON 8 DECEMBER 2010 AT 4:35PM

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SHIRE OF NORTHAM

Minutes of the Audit Committee Meeting held in the Council Chambers on Wednesday, 8 December 2010 at 4:35 pm

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1. DECLARATION OF OPENING AND WELCOME

Cr S B Pollard declared the Meeting open at 4:35pm.

2. DECLARATION OF INTEREST

Parts of Division 6 Subdivision 1 of the Local Government Act 1995 requires Council members and employees to disclose any direct or indirect financial interest or general interest in any matter listed in this agenda.

The Act also requires the nature of the interest to be disclosed in writing before the meeting or immediately before the matter being discussed.

NB A Council member who makes a disclosure must not preside or participate in, or be present during, any discussion or decision making procedure relating to the disclosed matter unless the procedures set out in Sections 5.68 or 5.69 of the Act have been complied with.

3. ATTENDANCE

COUNCIL

President
Councillors

Cr S B Pollard
K D Saunders
U Rumjantsev
T M Little
D A Hughes
T M Letch
R M Head
A W Llewellyn

Executive Manager, Corporate Services

D R Gobbart

GALLERY

4. APOLOGIES

Cr R W Tinetti

5. LEAVE OF ABSENCE

Cr C M D'Ascenzo has been granted 'Leave of Absence' from all Council duties from the 15 November 2010 through to the 31 December 2010.

6. CONFIRMATION OF MINUTES

COUNCIL DECISION

Minute No AU.019

Moved: Cr A W Llewellyn

Seconded: Cr R M Head

That the Minutes of the Audit Committee Meeting held on Wednesday 10 February 2010, be confirmed as a true and accurate record of that Meeting.

CARRIED 8/0

7. AGENDA ITEMS

7.1 MEETING WITH THE SHIRE OF NORTHAM AUDITORS

Name of Applicant:	Internal Report
File Ref:	8.2.7.1
Officer:	Denise Gobbart
Officer Interest:	Nil
Policy / Legislation:	Local Government Act 1995; Local Government (Audit) Regulations 1996; DLGRD Operational Guidelines – Audit Committees in Local Government No 9
Voting:	Simple Majority
Date:	01/12/2010

PURPOSE

Council to accept telephone conversation link up with Council’s Auditor Mr Greg Godwin from UHY Haines Norton.

BACKGROUND

On appointment of the audit committee, it was given delegated authority to meet with the Auditor of the local government at least once in every year, pursuant to Section 7.12A(2) the Local Government Act 1995.

The Local Government Act does not require the Audit Committee to meet with the Auditor rather the local Government is to meet with the Auditor at least once each year.

It should be noted that there will be a fee involved for the auditor to visit the Shire of Northam in person due to travelling and time.

A telephone link up has been arranged with Council’s Auditor Mr Greg Godwin from UHY Haines Norton at 4.00pm. NB: Mr Godwin will be available for approx 45 minutes.

STATUTORY REQUIREMENTS

Local Government Act 1995 Section 7.12A. Duties of local government with respect to audits

- (1) A local government is to do everything in its power to —

- (a) assist the auditor of the local government to conduct an audit and carry out his or her other duties under this Act in respect of the local government; and
 - (b) ensure that audits are conducted successfully and expeditiously.
- (2) Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.

CONFORMITY WITH THE PLAN FOR THE FUTURE

Nil

BUDGET IMPLICATIONS

Nil

OFFICER'S COMMENT

Topics to be discussed with the auditor include;

- Review of Shire of Northam Auditors Report
- Review of Shire of Northam Management Report
- General Business

RECOMMENDATION/COUNCIL DECISION

Minute No AU.020

Moved: Cr T M Letch

Seconded: Cr D A Hughes

1. That a meeting between the Audit Committee and the Auditor by telephone would satisfy the requirements of Section 7.12A(2) the Local Government (Audit) Regulations 1996 and that the minutes of the meeting show the auditor was involved and the matters discussed.
2. That the verbal report by the Shire Auditor Mr Greg Godwin from UHY Haines Norton be noted in the minutes and received.

CARRIED 8/0

A teleconference was conducted with Mr Greg Godwin and the Audit Committee commencing at 4.38pm.

Mr Godwin gave a brief overview of the Audit Report and Statutory Compliance issues, noting that a clean report had been presented.

The items listed in the Management Report were discussed with Mr Godwin:

- Outstanding Rates Ratio – The rates debtors have increased from 7% to 9% on the previous year, generally anything over 5% should flag a problem with collection policy. Ms Gobbart advised that a single ratepayer, who had current rates nearing \$100,000 that had not paid their rates, this had a significant effect on the balances outstanding. We have now become aware that a copy of the lease is not required to collect rent monies from properties with outstanding balances. This method was now going to be employed on this debtor. We are currently in the process of changing debt collection agencies. Before a property would be actioned for sale the matter would come before Council.
- Trust Account – This matter was raised in the prior years. Mr Godwin advised that they were comfortable as significant work had been undertaken to address the old trust fund balances. All new monies being held in Trust were being documented. Ms Gobbart advised that on checking funds held for library bonds, no user that we held a bond for had accessed the library in the past 12 months. A letter was being sent to these users requesting their bank account details to enable the funds to be returned.
- Corrected Misstatements – One matter was corrected at the time of audit.
- Uncorrected Misstatements – There were no uncorrected misstatements above \$5,000 noted during the course of the audit.

The teleconference was conducted with Mr Greg Godwin and the Audit Committee finished at 4.48pm.

7.2 SHIRE OF NORTHAM 2009/10 ANNUAL REPORT

Name of Applicant:	Internal Report
File Ref:	8.2.7.1
Officer:	Denise Gobbart
Officer Interest:	Nil
Policy / Legislation:	Local Government Act 1995 & LG (FM) Regs 1996
Voting:	Simple Majority
Date:	01/12/2010

PURPOSE

For Council to consider and endorse the date for the Annual Electors General Meeting set by the Chief Executive Officer.

BACKGROUND

The Annual Electors General Meeting is to be held within 56 days of the local government accepting the Annual Report.

A requirement of setting the date is that 14 days local public notice is required for advertising the meeting.

The closing period for adverts to be placed in the "Advocate" is Midday Friday's. As the earliest edition for an advert to be displayed is Wednesday 22 December 2010, this would allow the meeting to be held no earlier than Wednesday 5 January 2011. The last eligible day for holding the meeting would be Wednesday 16 February 2011.

STATUTORY REQUIREMENTS

Local Government Act 1995 Section 5.27 Electors' general meetings;

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

Local Government (Administration) Regulation No 15 Matters for discussion at general electors' meetings - s. 5.27(3)

For the purposes of section 5.27(3), the matters to be discussed at a general electors' meeting are, firstly, the contents of the annual report for the previous financial year and then any other general business.

Local Government Act 1995 Section 5.29 Convening Electors' Meetings;

- (1) *The CEO is to convene an electors' meeting by giving –*
 - (a) *at least 14 days' local public notice; and*
 - (b) *each council member at least 14 days' notice, of the date, time, place and purpose of the meeting.*
- (2) *The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time of publication of the notice under section 1.7(1)(a) and is to continue by way of exhibition under section 1.7(1)(b) and (c) until the meeting has been held.*

CONFORMITY WITH THE PLAN FOR THE FUTURE

Nil

BUDGET IMPLICATIONS

Nil

OFFICER'S COMMENT

Council is requested to endorse the date set, in accordance with the Local Government Act, for the Annual Electors General Meeting.

I am recommending that the meeting date be set as Wednesday, 9 February 2011 at 7.00pm. This is as many in the community may be absent over the Christmas / New Year period. There may be an adverse perception in the community if we were to advertise over the holiday period and hold the meeting in January.

RECOMMENDATION/COUNCIL DECISION

Minute No AU.021

Moved: Cr R M Head

Seconded: Cr T M Little

The Audit Committee, recommends that Council, pursuant to:

- 1. Sections 5.53 and 5.54 of the Local Government Act 1995, accepts the Annual Report for the 2009/2010 financial year;**
- 2. Section 5.55 of the Local Government Act 1995, authorise the Chief Executive Officer to give public notice of the availability of the Annual Report from Friday 17 December 2010.**

CARRIED 8/0

7.3 2009/10 ANNUAL ELECTORS GENERAL MEETING

Name of Applicant:	Internal Report
File Ref:	8.2.7.1
Officer:	Denise Gobbart
Officer Interest:	Nil
Policy / Legislation:	Local Government Act 1995 & LG (FM) Regs 1996
Voting:	Simple Majority
Date:	01/12/2010

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CONFORMITY WITH THE PLAN FOR THE FUTURE

Nil

BUDGET IMPLICATIONS

Nil

OFFICER'S COMMENT

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RECOMMENDATION/COUNCIL DECISION

Minute No AU.022

Moved: Cr T M Letch

Seconded: Cr U Rumjantsev

The Audit Committee recommends to Council, that the Annual Electors General Meeting be held Wednesday, 9 February 2011 at 7.00pm in the Shire of Northam Council Chambers.

CARRIED 8/0

7. DECLARATION OF CLOSURE

There being no further business the Presiding Officer declared the Meeting closed at 4:55pm.

"I certify that the Minutes of the Audit Committee Meeting held on Wednesday 8 December 2010 have been confirmed as a true and correct record."

_____ President

_____ Date