



MINUTES

CERTIFICATION OF CONFIRMATION OF AUDIT COMMITTEE MINUTES

5 MARCH 2020

I, Cr Mel Congerton hereby certify that the minutes from the Audit Committee Meeting held on 5 March pages (1) to (36) were confirmed at a Committee meeting held on 4 June 2020.



Signature

Cr Mel Congerton
Person presiding at Meeting



MINUTES

Audit Committee

5 March 2020

AUDIT COMMITTEE

MINUTES

5 March 2020

(REF: D2020/00412)

TABLE OF CONTENTS

1	DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS	1
2	ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE (PREVIOUSLY APPROVED)	1
3	DISCLOSURE OF INTERESTS	1
4	ANNOUNCEMENTS BY THE CHAIRMAN OR PRESIDING MEMBER WITHOUT DISCUSSION	1
5	PETITIONS, DEPUTATIONS AND PRESENTATIONS	1
6	CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS	1
	<i>6.1 MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 21 NOVEMBER 2019 (Ref: D2019/17889)</i>	1
7	QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN	2
8	QUESTIONS BY MEMBERS WITHOUT NOTICE	2
9	ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH MEETINGS MAY BE CLOSED TO THE PUBLIC	2
10	BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING	2
11	REPORTS OF EMPLOYEES	3
	<i>11.1 HALF YEAR BUDGET REVIEW 2019/2020 (Ref: D2020/00413)</i>	3
	<i>11.2 COMPLIANCE AUDIT RETURN 2019 (Ref: D2020/00414)</i>	22
12	REPORTS OF STRATEGIC RISK STEERING GROUP	36
13	REPORTS OF DELEGATES	36
14	NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE CHAIRMAN OR PRESIDING MEMBER OR BY DECISION OF MEETING	36
15	CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC	36
16	FUTURE MEETINGS OF THE AUDIT COMMITTEE	36
17	DECLARATION OF CLOSURE OF MEETING	36



7 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

Nil

8 QUESTIONS BY MEMBERS WITHOUT NOTICE

Nil

9 ANNOUNCEMENT OF CONFIDENTIAL MATTERS FOR WHICH MEETINGS MAY BE CLOSED TO THE PUBLIC

Nil

10 BUSINESS NOT DEALT WITH FROM A PREVIOUS MEETING

Nil



11 REPORTS OF EMPLOYEES

11.1 HALF YEAR BUDGET REVIEW 2019/2020

REFERENCE: D2020/00413

PURPOSE OF REPORT

The purpose of this report is to provide Council, via the Audit Committee, with details of the Eastern Metropolitan Regional Council's (EMRC's) 2019/2020 budget review for adoption and subsequent submission to the Department of Local Government, Sport and Cultural Industries.

KEY POINTS AND RECOMMENDATION(S)

- It is a requirement of the *Local Government (Financial Management) Regulations 1996* r.33A that a Local Government, between 1 January and 31 March in each year, is to carry out a review of its annual budget for that year.
- Council receives monthly financial reports inclusive of end of year forecasts. Forecasts have been constantly monitored and reviewed based on current information and circumstances available to provide a more accurate forecast of the year end result.

Recommendation(s)

That Council, by an absolute majority in accordance with the provisions of the *Local Government (Financial Management) Regulations 1996* r.33A, adopts the review of the 2019/2020 budget and approves its submission to the Department of Local Government, Sport and Cultural Industries within 30 days.

SOURCE OF REPORT

Chief Financial Officer

BACKGROUND

It is a requirement of the *Local Government (Financial Management) Regulations 1996* r.33A that a Local Government, between 1 January and 31 March in each year, is to carry out a review of its annual budget for that year.

Regulation 33A also states that within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the Council who is to consider the review submitted to it and is to determine, by absolute majority, whether or not to adopt the review, any parts of the review or any recommendation made to the review.

The EMRC's budget is presented in a format that separates operating income and expenditure from other revenue and expenses to provide improved disclosure of Council's underlying operating result.

Submitted to each meeting of Council is a financial report and summaries which provide an overview of year to date budget performance for operating activities and capital works. Variances greater than 10% or \$20,000, whichever is the greater, within each nature and type category on the Statement of Comprehensive Income are reported on in the body of the report. Also included are end of year forecasts by nature and type for operating activities and end of year forecasts for each capital works project. These forecasts are reviewed regularly in order to provide an accurate forecast of the end of year result.

The half year budget review was undertaken during January/February 2020 and is reflected in this report.



Item 11.1 continued

REPORT

Whilst the budget review is a statutory requirement, due to the commercial nature of the EMRC's waste operations, forecasts are conducted throughout the year in order to adjust costs (where possible) in relation to available tonnage throughput.

Format of Budget Review

The format of the statutory review undertaken is based on an examination by officers of all EMRC accounts (operating income, operating expenditure and capital expenditure accounts) within their area of responsibility.

A review of the tonnages budgeted to be received at the Red Hill Waste Management Facility is also undertaken. Tonnage budgets are reviewed to provide a forecast of volumes expected to be received by 30 June 2020. These forecasts, when calculated against the previously adopted disposal rates, provide financial forecasts relating to the following:

- Income from normal operations (including landfill levy);
- Secondary Waste Income;
- Landfill Levy Expenditure;
- Waste Education Levy Income; and
- Cell usage and depreciation.

All forecasts, which are an actual review of the budgets set against each account, are input into the financial management system in order to provide a more accurate forecast of the end of year result.

The year to date monthly budget allocations are also reviewed in order to match the appropriate timing for the various projects budgeted to be undertaken. A review is undertaken to ensure that the year to date budget allocations best reflect the timing applicable either to expenditure expected to be incurred or income to be received. This process commences immediately following adoption of the budget and is constantly being monitored and reviewed based on current information and circumstances available. This process provides a better comparison between the year to date actual and year to date budget figures.

Adjustments resulting from Budget Review

EMRC officers undertook the latest review based on the actual financial data provided for the period ended 31 December 2019. The financial report relating to the period ended 31 January 2020 will be submitted to Council at its meeting to be held on 19 March 2020. Variances reported in that report will be based on the budget review as specified within the body of this report. This is undertaken as part of the EMRC's ongoing budget and forecast review process and in accordance with Council's adopted criteria.

In accordance with the process followed in previous years, the original budget is not updated with the revised forecasts, as relevant regulations require the end of year results to be compared to the original adopted annual budget, rather than the reviewed budget.

Whilst it is accepted that many costs are incurred generally within a specific pattern, many are not. These include significant costs incurred relating to operating and capital projects, which depend solely on the timing of when the project is undertaken.



Item 11.1 continued

The following is a summary of the forecast changes to budget provisions resulting from the half year budget review:

Changes In	Operating	Other	Total
Increase / (Decrease) in Operating Income/Other Revenues	(\$78,059)	(\$1,224,981)	(\$1,303,040)
(Increase) / Decrease in Operating Expenditure/Other Expenses	(\$734,150)	\$840,072	\$105,922
Increase / (Decrease) in Net Assets from Operations	(\$812,209)	(\$384,909)	(\$1,197,118)
(Increase) / Decrease in Capital Expenditure	\$2,760,163	\$4,024,298	\$6,784,461
Increase / (Decrease) in Overall Expenditure	(\$1,947,954)	(\$3,639,389)	(\$5,587,343)

Provided below is a summary of changes between the original budget and the forecast for the financial year ending 30 June 2020. Comments are provided for significant variances using Council's adopted criteria of 10% or \$20,000, whichever is the greater, as a guide:

Operating Income/Other Revenues

User Charges

- Current Budget: \$34,022,683 Forecast Budget: \$34,684,070 Variance: \$661,387; 1.94%

Net User Charges (User Charges less Landfill Levy charges)

- Current Budget: \$19,414,960 Forecast Budget: \$19,914,059 Variance: \$499,099; 2.57%

Special Charges

- Current Budget: \$442,603 Forecast Budget: \$460,285 Variance: \$17,682; 4.00%

Contributions

- Current Budget: \$563,447 Forecast Budget: \$521,955 Variance: (\$41,492); (7.36%)

Operating Grants

- Current Budget: \$285,000 Forecast Budget: \$324,813 Variance: \$39,813; 13.97%

The full year forecast for Operating Grants is above the annual budget by \$39,813 (13.97%). The variance is due to a carried forward of unspent grant funds from the 2018/2019 financial year relating to the Community Capability Project brought to account as required by changes in AASB 15 (Revenue from Contracts with Customers) and AASB 1058 (Income of Not-for-Profit Entities).

Interest Municipal Cash & Investments

- Current Budget: \$270,000 Forecast Budget: \$262,000 Variance: (\$8,000); (2.96%)



Item 11.1 continued

Reimbursements

- Current Budget: \$790,259 Forecast Budget: \$1,101,889 Variance: \$311,630; 39.43%

The full year forecast for Reimbursements is \$311,630 (39.43%) above the budget of \$790,259. This is primarily attributable to a forecast insurance reimbursement of \$300,000 relating to an insurance claim for plant damaged as a result of a fire at the Hazelmere Resource Recovery facility. This is off-set by a corresponding expenditure in Insurance Expenses.

Other Income

- Current Budget: \$2,675,597 Forecast Budget: \$1,778,806 Variance: (\$896,791); (33.52%)

The full year forecast for Other Income is below the annual budget by \$896,791 (33.52%). The variance is mainly attributable to lower ferricrete sales (\$400,000 compared to a budget of \$780,000), a lower level of Greenwaste products sales (\$63,000 compared to a budget of \$280,904) and the timing of royalty payments and Large Scale Generation Certificate (LGC) sales relating to the sale of electricity generated from landfill gas (\$225,000 compared to a budget of \$780,000).

This is offset by additional income from the sale of products from the Hazelmere timber recycling plant (\$677,000 compared to a budget of \$577,436), the sale of products from the Coppin & Mathieson Transfer Stations (\$114,886 compared to a budget of \$83,000) and addition diesel fuel rebate income (\$240,000 compared to a budget of \$201,000).

User Charges (Other Revenues)

- Current Budget: \$815,500 Forecast Budget: \$45,000 Variance: (\$770,500); (94.48%)

The full year forecast for User Charges (Other Revenues) is below the annual budget by \$770,500 (94.48%). The variance is due to the lower level of tonnages forecast to be received at the Hazelmere C&I facility. This is offset by a forecast reduction in expenditure relating to this project.

Secondary Waste Charge (Other Revenues)

- Current Budget: \$4,756,004 Forecast Budget: \$4,997,380 Variance: \$241,376; 5.08%

Operating Grants (Other Revenues)

- Current Budget: \$240,000 Forecast Budget: \$0 Variance: (\$240,000); (100.00%)

The full year forecast for User Charges (Other Revenues) is below the annual budget by \$240,000 (100.00%). The variance is due to unsuccessful grant applications applicable to the FOGO project.

Interest Restricted Cash Investments (Other Revenues)

- Current Budget: \$1,604,959 Forecast Budget: \$1,860,569 Variance: \$255,610; 15.93%

The full year forecast for Interest on Restricted Cash Investments is \$255,610 (15.93%) above the budget of \$1,604,959. This is attributable to the higher level of funds available for investment as at 30 June 2019, additional funds invested during 2019/2020 compared to budget and a higher average interest rate expected to be received for the 2019/2020 financial year (2.30% as at 31 January 2020 compared to the budgeted rate of 1.78%).

Reimbursements (Other Revenues)

- Current Budget: \$50 Forecast Budget: \$35,050 Variance: \$35,000; N/A

The full year forecast for Reimbursements (Other Revenues) is \$35,000 above the budget of \$50. This is attributable to a forecast reimbursement of \$35,000 relating to an insurance claim for damage to the C&I building as a result of a fire at the Hazelmere Resource Recovery facility. This is off-set by a corresponding expenditure in Insurance Expenses (Other Expenses).



Item 11.1 continued

Proceeds from Sale of Assets (Other Revenues)

- Current Budget: \$205,000 Forecast Budget: \$406,795 Variance: 201,795; 98.44%

The full year forecast for Proceeds from Sale of Assets (Other Revenues) is \$201,795 above the budget of \$205,000. The variance relates specifically to the timing of various items of plant and vehicles not previously budgeted for change over during the 2019/2020 financial year that have now been forecast to be changed over as they will have attained the specified change over criteria.

Other (Other Revenues)

- Current Budget: \$956,262 Forecast Budget: \$8,000 Variance: (\$948,262); (99.16%)

The full year forecast for Other Revenues is below the annual budget by \$948,262 (99.16%). This variance relates to the forecast low sale of products (\$8,000 compared to a budget of \$204,434) from the Hazelmere C&I Project due to the lower level of tonnages forecast to be received through the facility and resulting recoverable material available for sale, as well as a \$0 forecast for electricity sales (compared to a budget of \$751,828) due to the delay in the commissioning of the Wood Waste to Energy (WWtE) facility.

Operating Expenditure/Other Expenses

Salary Expenses

- Current Budget: \$9,645,073 Forecast Budget: \$8,696,446 Variance: (\$948,627); (9.84%)

Contract Expenses

- Current Budget: \$4,666,382 Forecast Budget: \$4,995,756 Variance: \$329,374; 7.06%

Material Expenses

- Current Budget: \$1,114,269 Forecast Budget: \$1,309,254 Variance: \$194,985; 17.50%

The full year forecast for Material Expenses is above the annual budget by \$194,985 (17.50%). This variance is primarily due to the purchase of a binding material (RemBind) required as part of waste acceptance approval requirements which has resulted in an unfavourable variance of \$186,964 for Waste Services. This is offset by an increase in income for commercial tonnages at the Red Hill Waste Management Facility.

Utility Expenses

- Current Budget: \$327,525 Forecast Budget: \$332,144 Variance: \$4,619; 1.41%

Fuel Expenses

- Current Budget: \$734,688 Forecast Budget: \$821,188 Variance: \$86,500; 11.77%

The full year forecast for Fuel Expenses is above the annual budget by \$86,500 (11.77%). The variance is attributable to the on-going use of leachate evaporators and generators on the new leachate evaporation ponds not previously provided for.

Insurance Expenses

- Current Budget: \$258,545 Forecast Budget: \$565,675 Variance: \$307,130; 118.79%

The full year forecast for Insurance Expenses is \$307,130 (118.79%) above the budget of \$258,545. This is primarily attributable to a forecast expenditure of \$300,000 relating to an insurance claim for plant damaged as a result of a fire at the Hazelmere Resource Recovery facility. This is off-set by a corresponding insurance income in Reimbursement Income.



Item 11.1 continued

Depreciation Expenses

- Current Budget: \$4,923,631 Forecast Budget: \$4,749,975 Variance: (\$173,656); (3.53%)

Miscellaneous Expenses (excluding Landfill Levy expenses)

- Current Budget: \$936,306 Forecast Budget: \$1,034,956 Variance: \$98,650; 10.54%

The full year forecast for Miscellaneous Expenses (excluding the Landfill Levy expenses) is \$98,650 (10.54%) above the budget of \$1,034,956. This variance is attributable to the Hazelmere site being now classified as a commercial site for rating purposes (\$136,800 compared to a budget of \$3,590).

Provision Expenses

- Current Budget: \$236,821 Forecast Budget: \$239,956 Variance: \$3,135; 1.32%

Costs Allocated

- Current Budget: (\$2,192,805) Forecast Budget: (\$1,360,765) Variance: \$832,040; 37.94%

The full year forecast for Cost Allocations is \$832,040 (37.94%) below the budget of \$2,192,805. This variance relates specifically to the internal costs allocated between the Resource Recovery C&I Project and various capital expenditure projects that have been carried forward into the 2020/2021 financial year that were budgeted to utilise the EMRC's plant.

Salary Expenses (Other Expenses)

- Current Budget: \$1,040,075 Forecast Budget: \$737,880 Variance: (\$302,195); (29.06%)

The full year forecast for Salary Expenses (Other Expenses) is below the annual budget by \$302,195 (29.06%). The variance is primarily attributable to the low level of activity in the Hazelmere C&I facility (\$81,874 compared to a budget of \$486,837) due to the lower level of tonnages forecast to be received through the facility.

Contract Expenses (Other Expenses)

- Current Budget: \$890,463 Forecast Budget: \$659,405 Variance: (\$231,058); (25.95%)

The full year forecast for Contract Expenses (Other Expenses) is \$231,058 (25.95%) below the budget of \$890,463. The variance relates primarily to the timing of contract/management expenses for the WWtE Project (\$225,600 compared to a budget of \$556,000) which is not due to be commissioned until approximately May/June 2020.

Material Expenses (Other Expenses)

- Current Budget: \$75,475 Forecast Budget: \$38,652 Variance: (\$36,823); (48.79%)

The full year forecast for Material Expenses (Other Expenses) is \$36,823 (48.79%) below the budget of \$75,475. The variance relates principally to the timing of the WWtE Project (\$23,600 compared to a budget of \$53,500) which is not due to be commissioned until approximately May/June 2020 together with the lower level of expenditure at the Hazelmere C&I facility (\$7,000 compared to a budget of \$13,225) due to the lower level of tonnages forecast to be received through the facility.

Utility Expenses (Other Expenses)

- Current Budget: \$28,700 Forecast Budget: \$17,670 Variance: (\$11,030); (38.43%)

Fuel Expenses (Other Expenses)

- Current Budget: \$1,000 Forecast Budget: \$500 Variance: (\$500); (50.00%)



Item 11.1 continued

Insurance Expenses (Other Expenses)

- Current Budget: \$55,406 Forecast Budget: \$77,945 Variance: \$22,539; 40.68%

The full year forecast for Insurance Expenses (Other Expenses) is \$22,539 (40.68%) above the budget of \$55,406. This is primarily attributable to a forecast expenditure of \$35,000 relating to an insurance claim for damage to the C&I building as a result of a fire at the Hazelmere Resource Recovery facility. This is off-set by a corresponding insurance income in Reimbursement Income (Other Income).

Depreciation Expenses (Other Expenses)

- Current Budget: \$503,290 Forecast Budget: \$189,152 Variance: (\$314,138); (62.42%)

The full year forecast for Depreciation Expenses (Other Expenses) is \$314,138 (62.42%) below the budget of \$503,290. The variance is due to the timing of the WWtE Project (\$27,300 compared to a budget of \$163,670) which is not due to be commissioned until approximately May/June 2020 as well as the timing and/or carry forward of capital expenditure associated with the Hazelmere Resource Recovery Park projects.

Miscellaneous Expenses (Other Expenses)

- Current Budget: \$133,350 Forecast Budget: \$88,055 Variance: (\$45,295); (33.97%)

The full year forecast for Miscellaneous Expenses (Other Expenses) is \$45,295 (33.97%) below the budget of \$133,350. The variance relates to miscellaneous expenses for the Hazelmere C&I Project (\$15,000 compared to a budget of \$30,000) and is attributable to the lower level of tonnages forecast to be received through the facility and the timing of the WWtE Project (\$20,000 compared to a budget of \$56,300) which is not due to be commissioned until approximately May/June 2020.

Carrying Amount of Assets Disposed Of (Other Expenses)

- Current Budget: \$153,999 Forecast Budget: \$269,676 Variance: \$115,677; 75.12%

The full year forecast for Carrying Amount of Assets Disposed Of (Other Expenses) is \$115,677 (75.12%) above the budget of \$153,999. The variance relates specifically to the timing of various items of plant and vehicles not previously budgeted for change over during the 2019/2020 financial year that have now been forecast to be changed over as they will have attained the specified change over criteria.

Costs Allocated (Other Expenses)

- Current Budget: \$729,115 Forecast Budget: \$691,866 Variance: (\$37,249); (5.11%)

Capital Expenditure

- Current Budget: \$26,940,712 Forecast Budget: \$20,156,251 Variance: (\$6,784,461); (25.18%)

The Capital Expenditure budgets as at year end were reviewed as part of the half year budget review undertaken during January/February 2020 in order to reflect the actual timing of various projects and match expenditure requirements in relation to tonnage forecasts.

Full Year Capital Expenditure has been forecast to be \$6,784,461 (25.18%) below the budget of \$26,940,712.



Item 11.1 continued

Significant reductions to capital budgets where savings have been achieved, or where project expenditure has been deferred due to delays and/or carried forward or not required include the following:

- Construct Resource Recovery Park - Site Infrastructure - \$1,550,000 (c/fwd);
- Liquid Waste Project - Red Hill Landfill Facility - \$1,550,000 (c/fwd);
- Construct Resource Recovery Park - Site/Administration Office - \$800,000 (c/fwd);
- Construct Resource Recovery Park - Site Workshop - \$600,000 (c/fwd);
- Construct Resource Recovery Park - Community Transfer Station - \$530,000 (c/fwd);
- Construct Resource Recovery Park - Community Reuse Store - \$500,000 (c/fwd);
- Purchase Resource Recovery Park - C&I Building, Plant and Equipment - \$500,000;
- Liquid Waste Project Plant - Red Hill Landfill Facility \$450,000 (c/fwd);
- Design and Construct Class IV Cell Stage 2 - Red Hill Landfill Facility - \$420,000 (\$30,000 c/fwd);
- Purchase Resource Recovery Park Transfer Station, Plant & Equipment - \$300,000 (c/fwd);
- Construct Resource Recovery Park - Reuse Store Infrastructure - \$250,000 (c/fwd);
- Construct Drainage Diversion & Infrastructures - Red Hill Landfill Facility - \$250,000 (c/fwd).
- Construct Stormwater Infrastructure/Siltation Ponds - Red Hill Landfill Facility - \$200,000 (c/fwd);
- Capital Improvement - Ascot Place Administration Building - \$155,750 (c/fwd);
- Construct Litter Fence - Red Hill Landfill Facility - \$100,000 (\$50,000 c/fwd); and
- Purchase / Replace Plant - Hazelmere - \$100,000 (c/fwd).

This is offset by an increase in the following Capital Expenditure budget provision following a review of the capital expenditure program:

- Resource Recovery Park - WWtE, Building, Plant & Infrastructure - \$1,015,702;
This was subject to a confidential report submitted to Council and approved by Council at its meeting held on 19 September 2019.
- Purchase / Replace Plant - Red Hill Landfill Facility - \$551,475;
This relates to committed capital expenditure for the purchase of a loader and a truck at the Red Hill Landfill Facility which were ordered and expected to be received in the 2018/2019 financial year. The plant items were however not received until early 2019/2020 and as the 2019/2020 Annual Budget had been finalised and adopted a carried forward provision for these purchases was not able to be undertaken. This has been previously raised and explained to Council at its meeting on 5 December 2019.
- Purchase Vehicles - Red Hill Landfill Facility - \$215,000.
As outlined earlier in this report, this relates specifically to the timing of the replacement of various items of plant and vehicles not previously budgeted for change over during the 2019/2020 financial year that have now been forecast to be changed over as they will have attained the specified change over criteria as per the EMRC Fleet Policy and 10 Year Plant Replacement Schedule.

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 3 - Good Governance

- 3.3 To provide responsible and accountable governance and management of the EMRC
- 3.4 To continue to improve financial and asset management practices



Item 11.1 continued

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

1. Statement of Comprehensive Income by Nature and Type (Ref: D2020/04258)
2. Capital Expenditure Statement (Ref: D2020/04259)
3. Statement of Financial Position (Ref: D2020/04260)
4. Statement of Cash and Investments (Ref: D2020/04262)

VOTING REQUIREMENT

Absolute Majority

RECOMMENDATION(S)

That Council, by an absolute majority in accordance with the provisions of the *Local Government (Financial Management) Regulations 1996 r.33A*, adopts the review of the 2019/2020 budget and approves its submission to the Department of Local Government, Sport and Cultural Industries within 30 days.

Discussion ensued

Cr Johnson entered the room at 6:52pm. Cr Johnson left the room at 7:05pm and returned at 7:08pm.

AC RECOMMENDATION(S)

MOVED CR POWELL

SECONDED CR BOYD

That Council, by an absolute majority in accordance with the provisions of the *Local Government (Financial Management) Regulations 1996 r.33A*, adopts the review of the 2019/2020 budget and approves its submission to the Department of Local Government, Sport and Cultural Industries within 30 days.

CARRIED UNANIMOUSLY



STATEMENT OF COMPREHENSIVE INCOME

Nature and Type

JANUARY 2020

Year to Date			Full Year				
Actual	Budget	Variance		Forecast	Budget	Variance	
Operating Income							
\$20,583,431	\$20,127,810	\$455,621	(F)	\$34,684,070	\$34,022,683	\$661,387	(F)
(\$8,888,878)	(\$8,521,170)	(\$367,708)	(U)	(\$14,770,011)	(\$14,607,723)	(\$162,288)	(U)
\$11,694,553	\$11,606,640	\$87,913	(F)	\$19,914,059	\$19,414,960	\$499,099	(F)
\$267,290	\$265,175	\$2,115	(F)	\$460,285	\$442,603	\$17,682	(F)
\$385,867	\$376,810	\$9,057	(F)	\$521,955	\$563,447	(\$41,492)	(U)
\$174,538	\$180,000	(\$5,462)	(U)	\$324,813	\$285,000	\$39,813	(F)
\$138,283	\$157,493	(\$19,210)	(U)	\$262,000	\$270,000	(\$8,000)	(U)
\$408,175	\$460,957	(\$52,782)	(U)	\$1,101,889	\$790,259	\$311,630	(F)
\$1,081,886	\$1,100,880	(\$18,994)	(U)	\$1,778,806	\$2,675,597	(\$896,791)	(U)
\$14,150,592	\$14,147,955	\$2,637	(F)	\$24,363,807	\$24,441,866	(\$78,059)	(U)
Operating Expenditure							
\$4,715,335	\$5,335,607	\$620,272	(F)	\$8,696,446	\$9,645,073	\$948,627	(F)
\$1,847,481	\$2,653,573	\$806,092	(F)	\$4,995,756	\$4,666,382	(\$329,374)	(U)
\$650,505	\$555,410	(\$95,095)	(U)	\$1,309,254	\$1,114,269	(\$194,985)	(U)
\$185,586	\$181,995	(\$3,591)	(U)	\$332,144	\$327,525	(\$4,619)	(U)
\$448,922	\$428,484	(\$20,438)	(U)	\$821,188	\$734,688	(\$86,500)	(U)
\$154,468	\$150,640	(\$3,828)	(U)	\$565,675	\$258,545	(\$307,130)	(U)
\$2,693,279	\$2,849,343	\$156,064	(F)	\$4,749,975	\$4,923,631	\$173,656	(F)
\$582,494	\$553,435	(\$29,059)	(U)	\$1,034,956	\$936,306	(\$98,650)	(U)
\$143,017	\$138,138	(\$4,879)	(U)	\$239,956	\$236,821	(\$3,135)	(U)
(\$367,120)	(\$634,882)	(\$267,762)	(U)	(\$1,360,765)	(\$2,192,805)	(\$832,040)	(U)
\$11,053,967	\$12,211,743	\$1,157,776	(F)	\$21,384,585	\$20,650,435	(\$734,150)	(U)
\$3,096,625	\$1,936,212	\$1,160,413	(F)	\$2,979,222	\$3,791,431	(\$812,209)	(U)
Surplus	Surplus			Surplus	Surplus		

Notes:

1. User Charges - include member Councils and casual users pertaining to waste, risk management and environmental services fees and charges;
2. Special Charges - Waste Education Levy;
3. Contributions - member Councils' contributions to projects and services;
4. Operating Grants - grant income predominantly from government agencies; and
5. Other Operating Income - includes income from the sale of products;

(F) denotes Favourable variance and (U) denotes Unfavourable variance



STATEMENT OF COMPREHENSIVE INCOME

Nature and Type

JANUARY 2020

Year to Date									Full Year		
Actual	Budget	Variance							Forecast	Budget	Variance
Other Revenues											
\$25,540	\$26,257	(\$717)	(U)	User Charges	\$45,000	\$815,500	(\$770,500)	(U)			
\$2,902,005	\$2,855,628	\$46,377	(F)	Secondary Waste Charge	\$4,997,380	\$4,756,004	\$241,376	(F)			
\$0	\$0	\$0	(F)	Operating Grants	\$0	\$240,000	(\$240,000)	(U)			
\$1,270,765	\$1,076,002	\$194,763	(F)	Interest Restricted Cash Investments	\$1,860,569	\$1,604,959	\$255,610	(F)			
\$0	\$28	(\$28)	(U)	Reimbursements	\$35,050	\$50	\$35,000	(F)			
\$243,409	\$205,000	\$38,409	(F)	Proceeds from Sale of Assets	\$406,795	\$205,000	\$201,795	(F)			
\$5,507	\$6,000	(\$493)	(U)	Other	\$8,000	\$956,262	(\$948,262)	(U)			
\$4,447,226	\$4,168,915	\$278,311	(F)	Total Other Revenues	\$7,352,794	\$8,577,775	(\$1,224,981)	(U)			
Other Expenses											
\$258,966	\$240,242	(\$18,724)	(U)	Salary Expenses	\$737,880	\$1,040,075	\$302,195	(F)			
\$137,047	\$155,550	\$18,503	(F)	Contract Expenses	\$659,405	\$890,463	\$231,058	(F)			
\$5,066	\$14,798	\$9,732	(F)	Material Expenses	\$38,652	\$75,475	\$36,823	(F)			
\$7,085	\$10,374	\$3,289	(F)	Utility Expenses	\$17,670	\$28,700	\$11,030	(F)			
\$0	\$0	\$0	(F)	Fuel Expenses	\$500	\$1,000	\$500	(F)			
\$12,234	\$13,559	\$1,325	(F)	Insurance Expenses	\$77,945	\$55,406	(\$22,539)	(U)			
\$45,358	\$46,354	\$996	(F)	Depreciation Expenses	\$189,152	\$503,290	\$314,138	(F)			
\$32,548	\$26,881	(\$5,667)	(U)	Miscellaneous Expenses	\$88,055	\$133,350	\$45,295	(F)			
\$119,262	\$104,025	(\$15,237)	(U)	Carrying Amount of Assets Disposed Of	\$269,676	\$153,999	(\$115,677)	(U)			
\$295,601	\$394,764	\$99,163	(F)	Costs Allocated	\$691,866	\$729,115	\$37,249	(F)			
\$913,167	\$1,006,547	\$93,380	(F)	Total Other Expenses	\$2,770,801	\$3,610,873	\$840,072	(F)			
\$3,534,059	\$3,162,368	\$371,691	(F)	OPERATING RESULT FROM OTHER ACTIVITIES	\$4,581,993	\$4,966,902	(\$384,909)	(U)			
Surplus	Surplus				Surplus	Surplus					
\$6,630,684	\$5,098,580	\$1,532,104	(F)	NET RESULT	\$7,561,215	\$8,758,333	(\$1,197,118)	(U)			
Surplus	Surplus				Surplus	Surplus					
Realised/Unrealised (Gain)/Loss From Change in Fair Value of Investments											
\$0	\$0	\$0	(F)	Unrealised (Gain)/Loss	\$0	\$0	\$0	(F)			
\$0	\$0	\$0	(F)	Realised (Gain)/Loss	\$0	\$0	\$0	(F)			
\$0	\$0	\$0	(F)	Total (Gain)/Loss from change in Fair Value of Investments	\$0	\$0	\$0	(F)			
Other Comprehensive Income											
\$0	\$0	\$0	(F)	Revaluation of Assets/Accumulated Depreciation Reversal	\$0	\$0	\$0	(F)			
\$0	\$0	\$0	(F)	Other Comprehensive Income	\$0	\$0	\$0	(F)			
\$0	\$0	\$0	(F)	Total Other Comprehensive Income	\$0	\$0	\$0	(F)			
\$6,630,684	\$5,098,580	\$1,532,104	(F)	CHANGE IN NET ASSETS FROM OPERATIONS	\$7,561,215	\$8,758,333	(\$1,197,118)	(U)			
Surplus	Surplus				Surplus	Surplus					



CAPITAL EXPENDITURE STATEMENT

JANUARY 2020

Year to Date						Full Year		
Actual	Budget	Variance		On (F) = Favourable variation Order (U) = Unfavourable variation		Forecast	Budget	Variance
Governance and Corporate Services								
\$158,399	\$196,581	\$38,182 (F)	\$0		Purchase Vehicles - Ascot Place (24440/00)	\$337,000	\$337,000	\$0 (F)
\$0	\$0	\$0 (F)	\$0		Purchase Furniture Fittings & Equipment - Corporate Services (24510/01)	\$0	\$25,000	\$25,000 (F)
\$19,620	\$196,000	\$176,380 (F)	\$32,211		Purchase Information Technology & Communication Equipment (24550/00)	\$256,000	\$336,000	\$80,000 (F)
\$0	\$0	\$0 (F)	\$0		Purchase Art Works (24620/00)	\$20,000	\$20,000	\$0 (F)
\$4,250	\$4,500	\$250 (F)	\$0		Capital Improvement Administration Building - Ascot Place (25240/01)	\$4,250	\$160,000	\$155,750 (F)
\$0	\$0	\$0 (F)	\$0		Upgrade Security Equipment - Ascot Place (25530/01)	\$0	\$4,500	\$4,500 (F)
\$182,269	\$397,081	\$214,812 (F)	\$32,211			\$617,250	\$882,500	\$265,250 (F)



CAPITAL EXPENDITURE STATEMENT

JANUARY 2020

Year to Date			On (F) = Favourable variation Order (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance		Forecast	Budget	Variance

Resource Recovery

\$1,176,707	\$0	(\$1,176,707)	(U)	\$0	Construct and Commission Resource Recovery Park - Wood Waste to Energy Building (24259/05)	\$1,495,000	\$0	(\$1,495,000)	(U)
\$4,603	\$20,000	\$15,398	(F)	\$7,183	Construct and Commission Resource Recovery Park - Community Transfer Station (24259/06)	\$20,000	\$550,000	\$530,000	(F)
\$0	\$0	\$0	(F)	\$0	Construct and Commission Resource Recovery Park - Site/Administration Office (24259/07)	\$0	\$800,000	\$800,000	(F)
\$0	\$0	\$0	(F)	\$0	Construct and Commission Resource Recovery Park - Community Reuse Store (24259/08)	\$0	\$500,000	\$500,000	(F)
\$0	\$0	\$0	(F)	\$0	Construct and Commission Resource Recovery Park - MRF Building - Hazelmere (24259/09)	\$0	\$10,000	\$10,000	(F)
\$76,227	\$122,500	\$46,273	(F)	\$365	Construct and Commission Resource Recovery Commercial Transfer Station - Hazelmere (24259/10)	\$210,000	\$210,000	\$0	(F)
\$65,127	\$66,000	\$873	(F)	\$28,328	Construct and Commission Resource Recovery Park - Weighbridge Office (24259/12)	\$78,055	\$78,055	\$0	(F)
\$0	\$0	\$0	(F)	\$0	Construct and Commission Resource Recovery Park - Site Workshop (24259/13)	\$0	\$600,000	\$600,000	(F)
\$9,204	\$10,000	\$796	(F)	\$1,160	Construct and Commission Resource Recovery Park - Weighbridges (x2) (24392/02)	\$115,337	\$115,337	\$0	(F)
\$35,327	\$58,331	\$23,004	(F)	\$2,345	Construct FOGO Processing Area - Red Hill Landfill Facility (24395/05)	\$100,000	\$100,000	\$0	(F)



CAPITAL EXPENDITURE STATEMENT

JANUARY 2020

Year to Date					Full Year		
Actual	Budget	Variance	On Order	(F) = Favourable variation (U) = Unfavourable variation	Forecast	Budget	Variance
Resource Recovery							
\$313,665	\$320,000	\$6,335 (F)	\$96,754		\$1,000,000	\$2,550,000	\$1,550,000 (F)
				Construct and Commission Resource Recovery Park - Site Infrastructure (24399/01)			
\$0	\$0	\$0 (F)	\$0		\$0	\$250,000	\$250,000 (F)
				Construct Resource Recovery Park - Reuse Store Infrastructure (Car Park) (24399/07)			
\$5,206	\$5,500	\$294 (F)	\$6,514		\$50,000	\$123,685	\$73,685 (F)
				Wood Waste to Energy Utilities/Infrastructure - Resource Recovery Park (24399/11)			
\$268,104	\$723,681	\$455,577 (F)	\$570,410		\$835,000	\$1,240,613	\$405,613 (F)
				Purchase Resource Recovery Park - Wood Waste to Energy Plant & Equipment (24410/03)			
\$0	\$0	\$0 (F)	\$0		\$0	\$500,000	\$500,000 (F)
				Purchase Resource Recovery Park C & I Building - Plant & Equipment (24410/04)			
\$0	\$0	\$0 (F)	\$0		\$0	\$300,000	\$300,000 (F)
				Purchase Resource Recovery Park Transfer Station - Plant & Equipment (24410/05)			
\$0	\$0	\$0 (F)	\$447,800		\$600,000	\$600,000	\$0 (F)
				Purchase FOGO Processing Plant - Red Hill Landfill Facility (24410/10)			
\$1,954,170	\$1,326,012	(\$628,158) (U)	\$1,160,859		\$4,503,392	\$8,527,690	\$4,024,298 (F)

Waste Management

\$0	\$0	\$0 (F)	\$0		\$110,000	\$110,000	\$0 (F)
				Construct Waste Management Facility Buildings - Red Hill Landfill Facility (24250/01)			
\$0	\$0	\$0 (F)	\$0		\$63,000	\$63,000	\$0 (F)
				Construct Storage Shed - Hazelmere (24250/05)			
\$6,018	\$10,000	\$3,982 (F)	\$0		\$80,000	\$80,000	\$0 (F)
				Upgrade Power Supply to Transfer Station - Red Hill Landfill Facility (24259/14)			



CAPITAL EXPENDITURE STATEMENT

JANUARY 2020

Year to Date			On (F) = Favourable variation Order (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance		Forecast	Budget	Variance

Waste Management

\$0	\$0	\$0 (F)	\$0	Upgrade Power Supply to Workshop No 2 - Red Hill Landfill Facility (24259/15)	\$80,000	\$80,000	\$0 (F)
\$2,313,365	\$2,899,709	\$586,344 (F)	\$1,302,504	Construct Class III Cell Stage 14 - Red Hill Landfill Facility (24310/12)	\$4,974,352	\$4,974,352	\$0 (F)
\$12,370	\$48,412	\$36,042 (F)	\$0	Leachate Project - Red Hill Landfill Facility (24320/02)	\$83,000	\$83,000	\$0 (F)
\$0	\$0	\$0 (F)	\$0	Design and Construct Class IV Cell Stage 2 - Red Hill Landfill Facility (24330/04)	\$30,000	\$450,000	\$420,000 (F)
\$0	\$0	\$0 (F)	\$0	Construct Stormwater Infrastructure and Siltation Ponds - Red Hill Landfill Facility (24350/01)	\$0	\$200,000	\$200,000 (F)
\$7,945	\$10,000	\$2,055 (F)	\$0	Construct Roads / Carparks - Red Hill Landfill Facility (24370/00)	\$123,690	\$123,690	\$0 (F)
\$3,420	\$10,000	\$6,580 (F)	\$0	Construct Access Road to Lots 8 9 10 - Red Hill Landfill Facility (24370/02)	\$450,000	\$500,000	\$50,000 (F)
\$0	\$0	\$0 (F)	\$0	Construct Drainage Diversion and Earthworks Infrastructures - Red Hill Landfill Facility (24380/00)	\$0	\$250,000	\$250,000 (F)
\$0	\$0	\$0 (F)	\$0	Construct Litter Fence - Redhill Landfill Facility (24394/05)	\$0	\$100,000	\$100,000 (F)
\$0	\$0	\$0 (F)	\$0	Construct Hardstand and Road - Hazelmere (24395/01)	\$0	\$55,000	\$55,000 (F)
\$0	\$0	\$0 (F)	\$0	Construct Monitoring Bores - Red Hill Landfill Facility (24396/00)	\$40,000	\$40,000	\$0 (F)
\$0	\$0	\$0 (F)	\$0	Air Supply lines - Waste Management Structures - Red Hill Landfill Facility (24399/10)	\$0	\$75,000	\$75,000 (F)
\$0	\$0	\$0 (F)	\$0	Liquid Waste Project - Red Hill Landfill Facility (24399/16)	\$0	\$1,550,000	\$1,550,000 (F)



CAPITAL EXPENDITURE STATEMENT

JANUARY 2020

Year to Date						Full Year			
Actual	Budget	Variance		On (F) = Favourable variation Order (U) = Unfavourable variation		Forecast	Budget	Variance	
Waste Management									
\$55,262	\$872,311	\$817,049 (F)	\$7,373		Develop Lots 8 9 & 10 For Future Waste Activities - Red Hill Landfill Facility (24399/19)	\$1,500,000	\$1,500,000	\$0 (F)	
\$1,176,475	\$1,300,000	\$123,525 (F)	\$763,000		Purchase / Replace Plant - Red Hill Landfill Facility (24410/00)	\$4,146,475	\$3,595,000	(\$551,475) (U)	
\$13,000	\$13,000	\$0 (F)	\$59,134		Purchase / Replace Plant - Hazelmere (24410/01)	\$1,975,000	\$2,075,000	\$100,000 (F)	
\$0	\$0	\$0 (F)	\$0		Liquid Waste Project Plant - Red Hill Landfill Facility (24410/11)	\$0	\$450,000	\$450,000 (F)	
\$179,923	\$513,331	\$333,408 (F)	\$0		Purchase / Replace Minor Plant and Equipment-Red Hill Landfill Facility (24420/00)	\$880,000	\$880,000	\$0 (F)	
\$9,080	\$10,000	\$920 (F)	\$0		Purchase / Replace Minor Plant and Equipment - Hazelmere (24420/02)	\$27,502	\$14,000	(\$13,502) (U)	
\$162,787	\$86,000	(\$76,787) (U)	\$0		Purchase / Replace Vehicles - Red Hill Landfill Facility (24430/00)	\$301,000	\$86,000	(\$215,000) (U)	
\$0	\$0	\$0 (F)	\$0		Purchase / Replace Security System - Red Hill Waste Management Facility (24530/08)	\$100,000	\$100,000	\$0 (F)	
\$22,250	\$22,500	\$250 (F)	\$0		Purchase / Replace Security System - Hazelmere (24530/10)	\$36,480	\$36,480	\$0 (F)	
\$15,294	\$16,000	\$706 (F)	\$7,400		Purchase / Replace Other Equipment - Red Hill Landfill Facility (24590/00)	\$20,000	\$20,000	\$0 (F)	
\$8,572	\$0	(\$8,572) (U)	\$0		Purchase / Replace Miscellaneous Equipment - Hazelmere (24590/02)	\$8,572	\$0	(\$8,572) (U)	
\$0	\$9,000	\$9,000 (F)	\$0		Purchase Office Furniture and Fittings-Hazelmere (24610/10)	\$6,538	\$20,000	\$13,462 (F)	
\$0	\$0	\$0 (F)	\$0		Refurbish Plant - Red Hill Landfill Facility (25410/00)	\$0	\$20,000	\$20,000 (F)	
\$3,985,761	\$5,820,263	\$1,834,502 (F)	\$2,139,411			\$15,035,609	\$17,530,522	\$2,494,913 (F)	



CAPITAL EXPENDITURE STATEMENT

JANUARY 2020

Year to Date			On (F) = Favourable variation Order (U) = Unfavourable variation	Full Year		
Actual	Budget	Variance		Forecast	Budget	Variance
\$6,122,200	\$7,543,356	\$1,421,156 (F)	\$3,332,481	\$20,156,251	\$26,940,712	\$6,784,461 (F)
			TOTAL CAPITAL EXPENDITURE			



STATEMENT OF FINANCIAL POSITION

JANUARY 2020

Actual June 2019	Actual Year to Date		Full Year		
			Forecast	Budget	Variance
		(F) = Favourable variation (U) = Unfavourable variation			
Current Assets					
\$1,498,764	\$4,695,130	Cash and Cash Equivalents	\$4,007,914	\$4,277,914	(\$270,000) (U)
\$103,399,001	\$100,102,727	Investments	\$91,571,914	\$86,095,966	\$5,475,948 (F)
\$2,716,470	\$3,358,280	Trade and Other Receivables	\$2,426,402	\$2,426,402	\$0 (F)
\$54,739	\$34,177	Inventories	\$29,845	\$29,845	\$0 (F)
\$42,555	\$222,453	Other Assets	\$21,377	\$21,377	\$0 (F)
\$107,711,529	\$108,412,767	Total Current Assets	\$98,057,452	\$92,851,504	\$5,205,948 (F)
Current Liabilities					
\$5,541,725	\$2,733,563	Trade and Other Payables	\$3,604,991	\$3,604,991	\$0 (F)
\$1,629,324	\$1,629,324	Provisions	\$1,587,746	\$1,600,159	\$12,413 (F)
\$7,171,049	\$4,362,887	Total Current Liabilities	\$5,192,737	\$5,205,150	\$12,413 (F)
\$100,540,480	\$104,049,880	Net Current Assets	\$92,864,715	\$87,646,354	\$5,218,361 (F)
Non Current Assets					
\$50,570,000	\$50,570,000	Land	\$50,570,000	\$50,570,000	\$0 (F)
\$7,282,047	\$7,333,020	Buildings	\$10,733,576	\$10,683,789	\$49,787 (F)
\$17,270,648	\$16,133,352	Structures	\$27,611,242	\$27,371,536	\$239,706 (F)
\$10,479,107	\$10,937,406	Plant	\$19,402,433	\$19,411,090	(\$8,657) (U)
\$310,204	\$296,202	Equipment	\$1,011,492	\$918,978	\$92,514 (F)
\$143,201	\$138,883	Furniture and Fittings	\$123,208	\$124,441	(\$1,233) (U)
\$13,411,331	\$17,321,977	Work in Progress	\$5,169,591	\$11,954,052	(\$6,784,461) (U)
\$99,466,539	\$102,730,840	Total Non Current Assets	\$114,621,542	\$121,033,886	(\$6,412,344) (U)
Non Current Liabilities					
\$4,493,417	\$4,636,434	Provisions	\$4,043,244	\$4,040,109	(\$3,135) (U)
\$4,493,417	\$4,636,434	Total Non Current Liabilities	\$4,043,244	\$4,040,109	(\$3,135) (U)
\$195,513,602	\$202,144,286	Net Assets	\$203,443,013	\$204,640,131	(\$1,197,118) (U)
Equity					
\$54,062,507	\$62,308,230	Accumulated Surplus/Deficit	\$69,541,479	\$69,541,479	\$0 (F)
\$91,958,292	\$91,958,292	Cash Backed Reserves	\$85,093,239	\$85,093,239	\$0 (F)
\$41,247,080	\$41,247,080	Asset Revaluation Reserve	\$41,247,080	\$41,247,080	\$0 (F)
\$8,245,723	\$6,630,684	Net change in assets from operations	\$7,561,215	\$8,758,333	(\$1,197,118) (U)
\$195,513,602	\$202,144,286	Total Equity	\$203,443,013	\$204,640,131	\$1,197,118 (U)



CASH AND INVESTMENTS JANUARY 2020

Actual June 2019	Actual Year to Date	(F) = Favourable variation (U) = Unfavourable variation	Full Year		
			Forecast	Budget	Variance
Municipal Cash and Investments					
1,495,314	4,691,680	Cash at Bank - Municipal Fund 01001/00	1,607,113	1,590,113	17,000 (F)
3,450	3,450	Cash on Hand 01019/00 - 02	3,450	3,450	0 (F)
11,251,348	6,638,802	Investments - Municipal Fund 02021/00	7,617,689	2,684,351	4,933,338 (F)
12,750,112	11,333,932	Total Municipal Cash	9,228,252	4,277,914	4,950,338 (F)
Restricted Cash and Investments					
1,937,863	1,960,349	Restricted Investments - Plant and Equipment 02022/01	575,863	564,514	11,349 (F)
2,709,862	2,741,306	Restricted Investments - Post Closure Site Rehabilitation Red Hill 02022/02	2,905,284	2,900,531	4,753 (F)
20,180,980	20,415,150	Restricted Investments - Future Development 02022/03	21,884,694	21,861,282	23,412 (F)
1,098,527	1,111,274	Restricted Investments - Environmental Monitoring Red Hill 02022/04	1,205,157	1,203,445	1,712 (F)
37,510	37,945	Restricted Investments - Environmental Insurance Red Hill 02022/05	62,568	62,696	(128) (F)
15,192	15,368	Restricted Investments - Risk Management 02022/06	15,494	15,461	33 (F)
602,871	609,866	Restricted Investments - Class IV Cells Red Hill 02022/07	225,477	220,591	4,886 (F)
312,586	316,213	Restricted Investments - Regional Development 02022/08	476,060	476,800	(740) (F)
57,994,036	58,666,971	Restricted Investments - Secondary Waste Processing 02022/09	54,847,559	54,682,074	165,485 (F)
6,031,536	6,101,523	Restricted Investments - Class III Cells 02022/10	2,796,355	2,753,548	42,807 (F)
76,706	77,596	Restricted Investments - Building Refurbishment (Ascot Place) 02022/11	78,463	78,297	166 (F)
189,362	438,596	Restricted Investments - Accrued Interest 02022/19	274,000	274,000	0 (F)
0	0	Restricted Investments - Unrealised Loss/Gain on Investments 02022/20	0	0	0 (F)
960,622	971,768	Restricted Investments - Long Service Leave 02022/90	1,004,602	1,002,727	1,875 (F)
92,147,653	93,463,925	Total Restricted Cash	86,351,576	86,095,966	255,610 (F)
104,897,765	104,797,857	TOTAL CASH AND INVESTMENTS	95,579,828	90,373,880	5,205,948 (F)

The Cash at Bank - Municipal Fund represents the balance on the last day of the relevant month. Any portion of the balance available for investment is transferred into the Investment - Municipal Fund account in the following period. Funds held in the Cash at Bank - Municipal Fund continue to accrue interest as per the Westpac commercial rates.

c:\TEMP\1116202GL COUNCIL CASH AND INVESTMENTS STATEMENT.RPT



11.2 COMPLIANCE AUDIT RETURN 2019

REFERENCE: D2020/00414

PURPOSE OF REPORT

The purpose of this report is to present to Council for adoption the Compliance Audit Return (CAR) for the year ending 31 December 2019.

KEY POINTS AND RECOMMENDATION(S)

- Each local government is required to complete a CAR at the end of each calendar year.
- The CAR is required to be reviewed by the Audit Committee (AC) before being adopted by Council, certified by the Chairman and Chief Executive Officer (CEO) and uploaded to the Department of Local Government, Sport and Cultural Industries Smart Hub portal by 31 March 2020.

Recommendation(s)

That Council adopts the draft Compliance Audit Return 2019, forming an attachment to this report, that it be certified by the Chairman and Chief Executive Officer and submitted to the Department of Local Government, Sport and Cultural Industries by 31 March 2020.

SOURCE OF REPORT

Chief Financial Officer

BACKGROUND

The audit and applicable return is completed in accordance with the requirements of Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996*. It is a compliance audit for the period 1 January to 31 December 2019 against the requirements included in the Compliance Audit Return for that period.

Regulation 14 requires the Audit Committee to review the CAR and to report the results of the review to Council prior to adoption by Council.

REPORT

The CAR, as required by the *Local Government Act 1995* (the Act) and relevant Regulations, is now completed and submitted via the Department of Local Government, Sport and Cultural Industries Smart Hub portal.

The CAR sought advice on the extent of compliance by the EMRC to a range of sections of the Act and the local government regulations.

The review process includes a rigorous assessment being undertaken by responsible officers for each section. It is then input by the Manager Financial Services and Manager Procurement & Governance which is why their names appear on the "respondent" column of the CAR document.

A high level of compliance was achieved. Where applicable, the details and explanations relating to the completion of the return appear in the relevant comment sections of the CAR.

After the CAR has been adopted by Council a certified copy of the Return along with the relevant section of the minutes and additional information explaining or qualifying the compliance audit, is to be uploaded to the Department of Local Government, Sport and Cultural Industries Smart Hub portal by 31 March 2020.



Item 11.2 continued

STRATEGIC/POLICY IMPLICATIONS

Key Result Area 3 – Good Governance

3.3 To provide responsible and accountable governance and management of the EMRC

FINANCIAL IMPLICATIONS

Nil

SUSTAINABILITY IMPLICATIONS

Nil

MEMBER COUNCIL IMPLICATIONS

Member Council	Implication Details
Town of Bassendean	} Nil
City of Bayswater	
City of Belmont	
City of Kalamunda	
Shire of Mundaring	
City of Swan	

ATTACHMENT(S)

EMRC - Compliance Audit Return Regional Local Government 2019 (Ref: D2020/04010)

VOTING REQUIREMENT

Simple Majority

RECOMMENDATION(S)

That Council adopts the draft Compliance Audit Return 2019, forming an attachment to this report, that it be certified by the Chairman and Chief Executive Officer and submitted to the Department of Local Government, Sport and Cultural Industries by 31 March 2020.

Discussion ensued.

AC RECOMMENDATION(S)

MOVED CR JEANS

SECONDED CR BOYD

That Council adopts the draft Compliance Audit Return 2019, forming an attachment to this report, that it be certified by the Chairman and Chief Executive Officer and submitted to the Department of Local Government, Sport and Cultural Industries by 31 March 2020.

CARRIED UNANIMOUSLY



Eastern Metropolitan Regional Council - Compliance Audit Return Regional Local Government 2019

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of section of relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2019?	N/A		Izabella Krzysko
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2019?	N/A		Izabella Krzysko
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	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 2019?	N/A		Izabella Krzysko
4	s3.59(4)	Has the local government complied with public notice and publishing requirements of each proposal to commence a major trading undertaking or enter into a major land transaction for 2019?	N/A		Izabella Krzysko
5	s3.59(5)	Did the Council, during 2019, resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A		Izabella Krzysko



Delegation of Power / Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority?	Yes		Izabella Krzysko
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing?	Yes		Izabella Krzysko
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17?	Yes		Izabella Krzysko
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations?	Yes		Izabella Krzysko
5	s5.18	Has Council reviewed delegations to its committees in the 2018/2019 financial year?	Yes		Izabella Krzysko
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act?	Yes		Izabella Krzysko
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority?	Yes		Izabella Krzysko
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing?	Yes		Izabella Krzysko
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Izabella Krzysko
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	N/A		Izabella Krzysko
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees?	Yes		Izabella Krzysko
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2018/2019 financial year?	Yes		Izabella Krzysko
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 as required?	Yes		Izabella Krzysko

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68)?	Yes		Izabella Krzysko
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings?	Yes		Izabella Krzysko



No	Reference	Question	Response	Comments	Respondent
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made?	Yes		Izabella Krzysko
4	s5.73	Where the CEO had an interest relating to a gift under section 5.71A(1), was written notice given to the Council?	N/A		Izabella Krzysko
5	s5.73	Where the CEO had an interest relating to a gift in a matter in respect of a report another employee is providing advice on under section 5.71A (3), was the nature of interest disclosed when the advice or report was provided?	N/A		Izabella Krzysko
6	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day?	N/A	The Primary Returns lodged by all newly elected members are due in February 2020	Izabella Krzysko
7	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day?	Yes		Izabella Krzysko
8	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2019?	Yes		Izabella Krzysko
9	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2019?	Yes		Izabella Krzysko
10	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return?	Yes		Izabella Krzysko
11	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76?	Yes		Izabella Krzysko
12	s5.88(1)(2) 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 and 5.71, in the form prescribed in Administration Regulation 28?	Yes		Izabella Krzysko
13	s5.89A Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under section 5.71A, in the form prescribed in Administration Regulation 28A?	N/A		Izabella Krzysko
14	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76?	Yes		Izabella Krzysko
15	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee?	Yes		Izabella Krzysko



No	Reference	Question	Response	Comments	Respondent
16	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes?	Yes		Izabella Krzysko
17	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report?	Yes		Izabella Krzysko
18	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee?	Yes		Izabella Krzysko
19	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees?	Yes		Izabella Krzysko

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5))?	N/A		David Ameduri
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	N/A		David Ameduri

Finance

No	Reference	Question	Response	Comments	Respondent
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 Act?	Yes		David Ameduri
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	N/A		David Ameduri
3	s7.3(1)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor, a registered company auditor?	N/A	Audit was undertaken by the OAG	David Ameduri
4	s7.3(1), 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council?	N/A	Audit was undertaken by the OAG	David Ameduri



No	Reference	Question	Response	Comments	Respondent
5	Audit Reg 10	Was the Auditor's report(s) for the financial year(s) ended 30 June received by the local government within 30 days of completion of the audit?	Yes		David Ameduri
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2019 received by the local government by 31 December 2019?	Yes		David Ameduri
7	S7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government, ensure that appropriate action was undertaken in respect of those matters?	Yes	Matter raised in the 2018 Audit Report has been dealt with. No matter was raised in the 2019 Audit Report.	David Ameduri
8	S7.12A (4)	Where the auditor identified matters as significant in the auditor's report (prepared under s7.9(1) of the Act), did the local government prepare a report stating what action had been taken or it intended to take with respect to each of the matters and give a copy to the Minister within 3 months after receipt of the audit report?	Yes	Matter raised in the 2018 Audit Report has been dealt with. No matter was raised in the 2019 Audit Report.	David Ameduri
9	S7.12A (4)	Within 14 days after the local government gave a report to the Minister under s7.12A(4) (b), did the CEO publish a copy of the report on the local government's official website?	Yes	Matter raised in the 2018 Audit Report has been dealt with. No matter was raised in the 2019 Audit Report.	David Ameduri
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit?	N/A		David Ameduri
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit?	N/A		David Ameduri
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit?	N/A		David Ameduri
13	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor?	Yes	Remuneration of the cost of the audit to be paid to the OAG was communicated to the EMRC by the OAG.	David Ameduri
14	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor?	N/A		David Ameduri



Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	s5.56 Admin Reg 19DA (6)	Has the local government adopted a Corporate Business Plan. If Yes, please provide adoption date of the most recent Plan in Comments?	Yes	The Corporate Business Plan was adopted on 20 June 2019.	David Ameduri
2	s5.56 Admin Reg 19DA (4)	Has the local government reviewed the Corporate Business Plan in the 2018-2019 Financial Year. If Yes, please provide date of Council meeting the review was adopted at?	No		David Ameduri
3	s5.56 Admin Reg 19C	Has the local government adopted a Strategic Community Plan. If Yes, please provide adoption date of the most recent Plan in Comments?	Yes	Council adopted the 10 Year Strategic Plan 2017 - 2027 on 18 August 2016 for implementation.	David Ameduri
4	s5.56 Admin Reg 19C (4)	Has the local government reviewed the current Strategic Community Plan. If Yes, please provide date of most recent review by Council in Comments. Note: If the current Strategic Community Plan was adopted after 1/1/2016, please respond N/A and provide adoption date in Comments?	No	Council adopted the 10 Year Strategic Plan 2017 - 2027 on 18 August 2016 for implementation.	David Ameduri
5	S5.56 Admin Reg 19DA (3)	Has the local government developed an Asset Management Plan(s) that covers all asset classes. If Yes, please provide the date of the most recent Plan adopted by Council in Comments?	Yes	The Asset Management Plan was updated and compiled as part of the 2019/2020 Annual Budget deliberation process.	David Ameduri
6	S5.56 Admin Reg 19DA (3)	Has the local government developed a Long Term Financial Plan. If Yes, please provide the adoption date of the most recent Plan in Comments?	Yes	An update of the Long Term Financial Plan was undertaken as part of the 2019/2020 Budget process.	David Ameduri
7	S5.56 Admin Reg 19DA (3)	Has the local government developed a Workforce Plan. If Yes, please provide adoption date of the most recent Plan in comments?	Yes	The Workforce Plan was developed as part of the Corporate Business Plan which was adopted on 20 June 2019.	David Ameduri



Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	Yes	A new process was approved for the recruitment of a new CEO in 2019.	Izabella Krzysko
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A?	Yes	For the recruitment of a new CEO in 2019.	Izabella Krzysko
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 of CEO under section 5.36(4)?	Yes		Izabella Krzysko
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only)?	Yes		Izabella Krzysko
5	s5.37(2)	Did the CEO inform Council of each proposal to employ or dismiss a designated senior employee?	N/A	There was no employment or dismissal of a designated senior employee in 2019.	Izabella Krzysko



Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer?	N/A		Izabella Krzysko
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c)?	Yes		Izabella Krzysko
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made?	Yes		Izabella Krzysko
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint?	Yes		Izabella Krzysko
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred?	Yes		Izabella Krzysko
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) or (c)?	Yes		Izabella Krzysko



Optional Questions					
No	Reference	Question	Response	Comments	Respondent
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 Local Government (Financial Management) Regulation 5 (2)(c) within the 3 years prior to 31 December 2019? If yes, please provide date of Council resolution in comments?	Yes	Was put to Council at its meeting held on 20 June 2019.	David Ameduri
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) Regulation 17 within the 3 years prior to 31 December 2019? If yes, please provide date of Council resolution in comments?	N/A	Was last reviewed by Council at its meeting held 18 October 2018.	David Ameduri
3	Financial Management Reg 5A.	Did the local government provide AASB 124 related party information in its annual report(s) tabled at an electors meeting(s) during calendar year 2019?	Yes	Information was provided in the Annual Report. As a Regional Local Government the EMRC does not hold electors meetings.	David Ameduri
4	S6.4(3)	Did the local government submit to its auditor by 30 September 2019 the balanced accounts and annual financial report for the year ending 30 June 2019?	Yes		David Ameduri

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into 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 Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2))?	Yes		Izabella Krzysko
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract?	Yes		Izabella Krzysko
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice?	Yes		Izabella Krzysko



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16?	Yes		Izabella Krzysko
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?	Yes		Izabella Krzysko
6	F&G Reg 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Reg 16?	Yes		Izabella Krzysko
7	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender?	N/A	The EMRC did not have any tenders that were not submitted at the place, and within the time specified in the invitation to tender.	Izabella Krzysko
8	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria?	Yes		Izabella Krzysko
9	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection?	Yes		Izabella Krzysko
10	F&G Reg 19	Did the CEO give each tenderer written notice advising particulars of the successful tender or advising that no tender was accepted?	Yes		Izabella Krzysko
11	F&G Reg 21 & 22	Did the local governments advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22?	Yes		Izabella Krzysko
12	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice?	N/A		Izabella Krzysko
13	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services?	N/A		Izabella Krzysko
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest, a notice in writing in accordance with Functions & General Regulation 24?	N/A		Izabella Krzysko
15	F&G Reg 24AC (1) & (2)	Has the local government established a policy on procurement of goods and services from pre-qualified suppliers in accordance with the regulations?	Yes	The EMRC uses the WALGA preferred supplier panel.	Izabella Krzysko



No	Reference	Question	Response	Comments	Respondent
16	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice?	No	The EMRC uses the WALGA preferred supplier panel.	Izabella Krzysko
17	F&G Reg 24AD(4) & 24AE	Did the local government's advertising and panel documentation comply with F&G Regs 24AD(4) & 24AE?	N/A		Izabella Krzysko
18	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 F&G Reg 16 as if the reference in that regulation to a tender were a reference to a panel application?	N/A		Izabella Krzysko
19	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, given notice of the variation?	N/A		Izabella Krzysko
20	F&G Reg 24AH(1)	Did the local government reject the 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		Izabella Krzysko
21	F&G Reg 24AH(3)	In relation to the applications that were not rejected, did the local government assess which application (s) to accept and which application(s) were most advantageous to the local government to accept, by means of written evaluation criteria?	N/A		Izabella Krzysko
22	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 F&G Reg 24AG?	N/A		Izabella Krzysko
23	F&G Reg 24AI	Did the CEO send each person who submitted an application, written notice advising if the person's application was accepted and they are to be part of a panel of pre-qualified suppliers, or, that the application was not accepted?	N/A		Izabella Krzysko
24	F&G Reg 24E	Where the local government gave a regional price preference, did the local government comply with the requirements of F&G Reg 24E including the preparation of a regional price preference policy?	N/A		Izabella Krzysko
25	F&G Reg 24F	Did the local government comply with the requirements of F&G Reg 24F in relation to an adopted regional price preference policy?	N/A		Izabella Krzysko



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
26	F&G Reg 11A	Does the local government have a current purchasing policy that comply with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150,000 or less?	Yes		Izabella Krzysko
27	F&G Reg 11A	Did the local government comply with it's current purchasing policy in relation to the supply of goods or services where the consideration under the contract is, or is expected to be \$150,000 or less or worth \$150,000 or less?	Yes		Izabella Krzysko

I certify this Compliance Audit return has been adopted by Council at its meeting on _____

Signed Mayor / President, Eastern Metropolitan Regional Council

Signed CEO, Eastern Metropolitan Regional Council



12 REPORTS OF STRATEGIC RISK STEERING GROUP

Nil

13 REPORTS OF DELEGATES

Nil

14 NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE CHAIRMAN OR PRESIDING MEMBER OR BY DECISION OF MEETING

Nil

15 CONFIDENTIAL MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

Nil

16 FUTURE MEETINGS OF THE AUDIT COMMITTEE

Meetings of the Audit Committee are covered under the Audit Committee Terms of Reference as follows.

“4 Meetings

4.1 *The Audit Committee will meet as required at the discretion of the chairperson of the committee and at least three times per year to coincide with:*

- a. *Approval of strategic and annual plans;*
- b. *Approval of the annual budget; and*
- c. *The auditor’s report on the annual financial report.”*

Future Meetings 2020

Thursday	2 April	(if required)	at	EMRC Administration Office
Thursday	7 May	(if required)	at	EMRC Administration Office
Thursday	4 June		at	EMRC Administration Office
Thursday	9 July	(if required)	at	EMRC Administration Office
Thursday	6 August	(if required)	at	EMRC Administration Office
Thursday	3 September	(if required)	at	EMRC Administration Office
Thursday	8 October	(if required)	at	EMRC Administration Office
Thursday	19 November	(if required)	at	EMRC Administration Office

17 DECLARATION OF CLOSURE OF MEETING

There being no further business the meeting was closed at 7:14pm.