



Shire of
Katanning
Heart of the Great Southern

'A prosperous, vibrant and diverse community working together.'

**MINUTES OF
SPECIAL COUNCIL MEETING**

Dear Council Member

Minutes of a Special Council Meeting of the Shire of Katanning held on
Tuesday 8 February 2022 in the Shire of Katanning Council Chambers,
52 Austral Terrace, Katanning.

DISCLAIMER

The Council of the Shire of Katanning hereby
advises that before taking any action on an application or a
decision of the Council, any applicant or members of the
public should wait for written advice from the Council.

PRESIDING MEMBER _____

DATE SIGNED _____



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1. DECLARATION OF OPENING/ ANNOUNCEMENT OF VISTORS

The Presiding Member declared the meeting open at 6:00pm.

2. RECORD OF ATTENDANCE**PRESENT**

Presiding Member: Cr Liz Guidera - President

Members: Cr John Goodheart – Deputy President
Cr Serena Sandwell
Cr Kristy D’Aprile
Cr Matt Collis
Cr Michelle Salter
Cr Adrian Edwards

Council Officers: Julian Murphy, Chief Executive Officer
Denise Gobbart, Executive Manager Corporate & Community
Sam Bryce, Executive Manager Infrastructure and Assets
Taryn Human, Executive Governance Officer

Gallery: Alan McFarland

Media:

Apologies: Cr Michelle Salter
Cr Adrian Edwards

Leave of Absence:

3. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

Nil.

4. DISCLOSURE OF FINANCIAL/IMPARTIALITY INTERESTS

Nil.

5. PUBLIC QUESTION/STATEMENT TIME**Alan McFarland Statement**

Alan McFarland raised concern on the state of the town roads. He said that while he has seen a few upgrade changes he felt that Todd, Rogers Avenue, East of Conroy and Clive Street need urgent attention. He said that East Marion and Braeside Road needs a streetlight as the visibility is very poor at night.

Alan McFarland said that he was happy to see that work has been done on Carew Street and Coate Street.

Julian Murphy Response

Julian advised that solar lights are scheduled to be installed on Warren and Marmion Street.

Julian advised that Clive Street is a work in progress and the Shire has received funds for work to be done to continue the upgrade.

Julian was not aware of problems at Todd and Rogers Avenue and would add these roads to the list.

Sam Bryce Response

Sam advised that the plan was to finish all the foot paths and then complete the asphalt all the way up to the hospital.

6. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**6.1 Audit and Risk Committee Meeting – Wednesday 2 February 2022**
(SEE ATTACHED MINUTES)

Voting Requirement: Simple Majority

MOVED: CR SERENA SANDWELL

SECONDED: CR JOHN GOODHEART

OC01/22 That Council receives the minutes of the Audit and Risk Committee Meeting held on Wednesday 2 February 2022.

CARRIED: 5/0

7. REPORTS OF COMMITTEES AND OFFICERS**7.1 AUDIT AND RISK COMMITTEE MEETING****7.1.1 Shire of Katanning Annual Report 2020/21**
(ATTACHMENTS)

File Ref: FM.AU.2
Reporting Officer: Denise Gobbart, Executive Manager Finance & Administration
Date Report Prepared: 12 January 2022

Issue:

For the Audit & Risk Committee to recommend that Council adopts the Annual Report for the year ended 30 June 2021.

Body/Background:

The Annual Financial Report for the year ended 30 June 2021 was presented to the Shire of Katanning's auditor prior to 30 September 2021. The auditors undertook the annual site visit between the 29 September and 1 October 2021. The Audit Exit meeting was held Thursday 16 December 2021 with the audit signed off Tuesday 21 December 2021.

Section 5.54 'Acceptance of Annual Reports' by the *Local Government Act 1995* requires an Annual Report to be accepted by Council by 31 December in each year unless the Auditor's Report is not available in time. The *Local Government Act 1995* Section 5.42(2) requires that if the Annual Report is not accepted by the Local Government by 31 December then it must be presented within two (2) months of the Auditors Report becoming available.

Officer's Comment:

The completion of the audit and the annual financial report confirms the financial data for the 2020/21 year including the carried forward position at the 30 June 2021.

During the current year the following new standards were applied, AASB 1059 Service Concession Arrangements: Grantors and AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Materiality.

The 2020/21 end of year surplus of \$2,333,383 varies to the 2021/22 budget surplus estimate of \$2,453,602. The Surplus varied by \$120,219 due to the treatment of Contract Liabilities \$123,924 and other minor adjustments in the treatment of transaction during the audit.

Contract Liabilities were adjusted to reflect unspent grants with contractual obligations, these were:

- Hidden Treasures (Shire of Broomehill-Tambellup) \$5,000
- Vibrant Katanning (Foundation for Rural & Regional Renewal) \$22,000
- Regional Venues (Art on the Move) \$25,700
- Sports Engagement & Inclusion Program \$71,224

The treatment of these funds is a timing issue. When the revenue is received in the prior year and is unspent, that portion of revenue is removed from operating accounts and transferred to

the Balance Sheet as a contract liability. When the appropriate expenditure has occurred, the contract liability is then transferred back to revenue.

In the Independent Auditor's Report, the following was noted:

In accordance with the Local Government (Audit) Regulations 1996 I report that:

- (i) In my opinion, the following material matter indicates a significant adverse trend in the financial position of the Shire:
 - a. The Operating Surplus Ratio has been below the Department of Local Government, Sport and Cultural Industries (DLGSCI) standard for the past three years.**
- (ii) The following material matter indicating non-compliance with Part 6 of the Act, the Regulations or applicable financial controls of any other relevant written law were identified during the course of my audit:
 - a. Fixed asset reconciliation between the register and the corresponding general ledger control accounts has not been performed from December 2020 to April 2021. This is a key control for ensuring the completeness and accuracy of financial data within the general ledger from which the financial statements are derived. Without this reconciliation being performed on a regular basis there is an increased risk of fraud and or errors going undetected.**

Statutory Environment:

Local Government Act 1995

Section 5.53 Annual Reports

- (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain —
 - (a) a report from the mayor or president; and
 - (b) a report from the CEO; and
 - [(c), (d) deleted]
 - (e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
 - (f) the financial report for the financial year; and
 - (g) such information as may be prescribed in relation to the payments made to employees; and
 - (h) the auditor's report prepared under section 7.9(1) or 7.12AD(1) for the financial year; and
 - (ha) a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and
 - (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
 - (i) the number of complaints recorded in the register of complaints; and
 - (ii) how the recorded complaints were dealt with; and
 - (iii) any other details that the regulations may require; and
 - (i) such other information as may be prescribed

Section 5.54 Acceptance of Annual Reports

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted* by the local government no later than 31 December after that financial year.

* *Absolute majority required.*

- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

Section 5.55 Notice of Annual Reports

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

Section 5.55A Publication of Annual Reports

The CEO is to publish the annual report on the local government's official website within 14 days after the report has been accepted by the local government.

Policy Implications:

There are no policy implications for this report.

Financial Implications:

It is estimated that advertising costs of the availability of the Annual Report and the Annual Electors General meeting will be \$600 which will be charged to account 102140 Advertising & Promotion.

Risk Implications:

This item has been evaluated against the Shire of Katanning's Risk Assessment and Acceptance Criteria. The perceived level of risk is considered to be "Low" risk and can be managed by routine procedures and with current resources.

Strategic Implications:

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY	LEADERSHIP	
ASPIRATION	L1	An inclusive community, recognised as a great place to live and visit.
OBJECTIVE	L1.1	Operate with high ethical and professional standards, being open, transparent and responsive to the community and other stakeholders.

Audit & Risk Committee Recommendation/Council Motion:

Voting Requirement: Absolute Majority

MOVED: CR MATT COLLIS

SECONDED: CR KRISTY D'APRILE

OC02/22 That Council:

1. In accordance with Sections 5.53 and 5.54 of the Local Government Act 1995, accepts the Annual Report for the 2020/21 financial year; and
2. In accordance with 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 11 February 2022.

CARRIED BY AN ABSOLUTE MAJORITY: 5/0

Cr Kristy D'Aprile spoke for the motion.

7.1.2 **2020/21 Annual Electors General Meeting**

File Ref: FM.AU.2
Reporting Officer: Denise Gobbart, Executive Manager Finance & Administration
Date Report Prepared: 12 January 2022

Issue:

For the Audit & Risk Committee to recommend that Council endorse the date for the Annual General Meeting set by the Chief Executive Officer.

Body/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. Providing the Annual Report is endorsed at the Special Council Meeting proposed on 08 February 2022, it is recommended that this be held after the March Council Meeting which is scheduled on 24 March 2022.

Officer's Comment:

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

Statutory Environment:

Local Government Act 1995

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 1996

15 Matters to be discussed at general meeting (Act 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

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 the notice is first given and is to continue in the prescribed way until the meeting has been held.

Policy Implications:

There are no policy implications for this report.

Financial Implications:

It is estimated that advertising costs of the availability of the Annual Report and the Annual Electors General meeting will be \$600 which will be charged to account 102140 Advertising & Promotion.

Risk Implications:

This item has been evaluated against the Shire of Katanning's Risk Assessment and Acceptance Criteria. The perceived level of risk is considered to be "Low" risk and can be managed by routine procedures and with current resources.

Strategic Implications:

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY	LEADERSHIP	
ASPIRATION	L1	An inclusive community, recognised as a great place to live and visit.
OBJECTIVE	L1.1	Operate with high ethical and professional standards, being open, transparent and responsive to the community and other stakeholders.

Audit & Risk Committee Recommendation/Council Motion:

Voting Requirement: Simple Majority

MOVED: CR KRISTY D'APRILE

SECONDED: CR JOHN GOODHEART

OC03/22 That Council holds the Annual General Meeting of Electors on Thursday 24 March 2022 at 7.30pm at the Shire of Katanning Council Chambers.

CARRIED 5/0:

7.2 EXECUTIVE MANAGER CORPORATE AND COMMUNITY

Nil.

8. CLOSURE OF MEETING

The Presiding Member declared the meeting closed at 6:10pm.