



Shire of  
**Katanning**  
Heart of the Great Southern

'Together, We're Building Katanning's Future'

**MINUTES OF A  
SPECIAL COUNCIL MEETING**

Dear Council Member

Minutes of a Special Council Meeting of the Shire of Katanning will be held on  
Monday 12 February 2018, in the Shire of Katanning Council Chambers,  
14 Austral Terrace, Katanning, commencing at 6:00pm.

Julian Murphy  
**CHIEF EXECUTIVE OFFICER**

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 6:12pm.

**2. RECORD OF ATTENDANCE****PRESENT**

Presiding Member: Cr Liz Guidera - President

Members: Cr John Goodheart  
Cr Danny McGrath  
Cr Serena Sandwell  
Cr Martin Van Koldenhoven  
Cr Alep Mydie  
Cr Owen Boxall  
Cr Ernie Menghini  
Cr Kristy D'Aprile

Council Officers: Julian Murphy, Chief Executive Officer  
Lisa Hannagan, Executive Manager Finance and Administration  
Elizabeth French, Manager Finance  
Sophie Justins, Executive Assistant to CEO

Gallery:

Media:

Apologies:

Leave of Absence:

**3. RESPONSE TO PUBLIC QUESTIONS TAKEN ON NOTICE**

Nil.

**4. DISCLOSURE OF FINANCIAL/IMPARTIALITY INTERESTS**

Nil.

**5. PUBLIC QUESTION/STATEMENT TIME**

Nil.

**6. APPLICATIONS FOR LEAVE OF ABSENCE**

Nil.

**7. PETITIONS/DEPUTATIONS/PRESENTATIONS**

Nil.

**8. CONFIRMATION OF MINUTES OF PREVIOUS MEETING**

Nil.

**9. ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**

Cr Liz Guidera acknowledged staff at the Shire of Katanning for their work in preparing the Annual Report, particularly Executive Manager Finance and Administration, Lisa Hannagan for her inclusion of the suggested amendments, highlights, grants etc. The Council aim to improve this Report every year. Cr Liz Guidera thanked the Councillors and Senior Staff for their input.

**10. REPORTS OF COMMITTEES AND OFFICERS**

Nil.

**10.1 EXECUTIVE MANAGER FINANCE & ADMINISTRATION REPORTS****10.1.1 Shire of Katanning Annual Report 2016/17**  
(ATTACHMENT)

**File Ref:** AC.02.0019  
**Reporting Officer:** Lisa Hannagan, Executive Manager Finance & Administration  
**Date Report Prepared:** 29 January 2018

**Issue:**

For Council to consider the recommendations of the Audit (Finance & Risk) Committee in relation to the Shire of Katanning Audit Report, Management Letter and Draft Annual Report for the 2016/17 financial year.

**Body/Background:**

A Council resolution adopting the Shire of Katanning Annual Report 2016/17 and the Annual Financial Report 2016/17 is required before Council can convene the Annual General Meeting of Electors.

**Officer's Comment:**

The Audit (Finance & Risk) Committee will consider at a meeting to be held on 12 February 2018 the Auditor's report, Management Letter and draft Annual Report that are included with this agenda.

**Audit Report**

The opinion of the Audit on the Financial Report can be summarised as follows:

*"The Financial report of the Shire of Katanning is in accordance with the Local Government Act 1995 and the Local Government (Financial Management) Regulations 1996 (as amended) including giving a true and fair view of the Shire's financial position as at 30 June 2017 and of its financial performance and cash flows for the year ended on that date; and complying with the Australian Accounting Standards (including Australian Accounting Interpretations).*

Additionally, the audit opinion reports:

1. There are no matters that in our opinion indicate significant adverse trends in the financial position or financial practices of the Shire.
2. No matters indicating non-compliance with Part 6 of the *Local Government Act 1995 (as amended)* the *Local Government (Financial Management) Regulations 1996 (as amended)* or applicable financial controls of any other written law were noted during the course of our audit.
3. In relation to the Supplementary Ratio information presented, we have reviewed the calculation for the Asset Consumption Ratio as presented and nothing has come to our attention to suggest it is not supported by verifiable information and reasonable assumptions. The Asset Renewal Funding Ratio was not calculated and hence no review was carried out.
4. All necessary information and explanations were obtained by us.
5. All audit procedures were satisfactorily completed in conducting our audit.

Management Report

The Management Report provides comments on the following:

<b>Management Letter</b>	<b>Staff Response</b>
Comments on Ratios	In relation to the Operating Surplus Ratio, the requirement to improve the Shire's operating position will be addressed by seeking efficiencies and savings to reduce operating expenditure and looking at options to increase operating revenues.  In relation to the Asset Renewal Funding Ratio, the Shire's Long Term Financial Plan has been prioritised, is currently being finalised and will be presented to Council in the first half of 2018.
Changes to supplier banking details	Noted. A formal process has been implemented and all changes are now documented.
Year End Audit readiness and efficiency	Noted. Officer's have implemented a detailed program to ensure that the annual financial report is finalised in a timely manner and have also allocated additional (internal) resources to be available during the preparation for and conduct of future audits.

Draft Annual Report

The Draft Annual Report 2016/17 has been provided with this Agenda Item and includes the Annual Financial Reports.

The Annual Report 2016/17 was considered at the Audit (Finance & Risk) Committee Meeting held on 12 February 2018. The Auditor, Mr David Tomasi joined the meeting via telephone and discussed issues relating to the conduct of the audit, the Annual Financial Report and the Auditor's Report. The Audit (Finance & Risk) Committee made the following recommendation to Council:

*That the Audit (Finance & Risk) Committee:*

- 1. Recommends that Council accept the Audit Report for the 2016/17 financial year as presented;*
- 2. Recommends that Council adopt the Annual Report (including the Financial Report) for the year ended 30 June 2017 as amended; and*
- 3. Recommends to Council that the General Meeting of Electors be held on Monday 12 March 2018 at 7.30pm at the Katanning Leisure Centre Pioneer Room.*

**Statutory Environment:**

The relevant sections of the *Local Government Act 1995* and associated regulations provide as follows:

**s6.4: Financial report**

- (1) A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.
- (2) The financial report is to —
  - (a) be prepared and presented in the manner and form prescribed; and

- (b) contain the prescribed information.
- (3) By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —
- (a) the accounts of the local government, balanced up to the last day of the preceding financial year; and
  - (b) the annual financial report of the local government for the preceding financial year.

**s5.54: 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.

**s5.55: 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.

**s5.27: 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.

**s5.29: 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.

**s5.33: Decisions made at electors' meetings**

- (1) All decisions made at an electors' meeting are to be considered at the next ordinary council meeting or, if that is not practicable —
- (a) at the first ordinary council meeting after that meeting; or
  - (b) at a special meeting called for that purpose, whichever happens first.
- (2) If at a meeting of the council a local government makes a decision in response to a decision made at an electors' meeting, the reasons for the decision are to be recorded in the minutes of the council meeting.

*Local Government (Financial Management) Regulations 1996 - Reg 51***51: Annual financial report to be signed etc. by CEO and given to Department**

- (1) After the annual financial report has been audited in accordance with the Act the CEO is to sign and append to the report a declaration in the form of Form 1.
- (2) A copy of the annual financial report of a local government is to be submitted to the Departmental CEO within 30 days of the receipt by the local government's CEO of the auditor's report on that financial report.

**Policy Implications:**

Nil.

**Financial Implications:**

The cost of Auditing the annual financial reports is included in the Shire Budget.

**Strategic Implications:**

Shire of Katanning Strategic Community Plan 2017 – 2027

PRIORITY	LEADERSHIP	
ASPIRATION	L2	A collaborative, progressive and resilient local government which is sustainably resourced.
OBJECTIVE	L2.1	Optimise use of shire resources – improve organisational systems.

**PROCEDURAL MOTION**

**MOVED: CR SERENA SANDWELL**

**SECONDED: CR KRISTY D'APRILE**

**OC1/18 That Council suspends standing orders.**

**Voting Requirement:** Simple Majority

CARRIED: 9/0

**PROCEDURAL MOTION**

**MOVED: CR OWEN BOXALL**

**SECONDED: CR MARTIN VAN KOLDENHOVEN**

**OC2/18 That Council resumes standing orders.**

**Voting Requirement:** Simple Majority

CARRIED: 9/0



**Committee Recommendation/Council Motion:****MOVED: CR SERENA SANDWELL****SECONDED: CR OWEN BOXALL****OC3/18****That Council:**

- 4. Accepts the Auditors Report for the 2016/17 financial year as presented;**
- 5. Adopts the Annual Report (including the Financial Report) for the year ended 30 June 2017 as amended; and**
- 6. Determines that the General Meeting of Electors be held on Monday 12 March 2018 at 7.30pm at the Katanning Leisure Centre Pioneer Room.**

**Voting Requirement:** Absolute Majority

CARRIED: 9/0

NB. Dates for the AGM, noting 14-day advertising period for local notice & only if the Council resolve as above and this item is listed for the SCM on 12 February 2018.

If the Audit Meeting is held 12 February 2017, suggest AGM Monday 12 March 2017

**11. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

Nil.

**12. CONFIDENTIAL ITEM**

Nil.

**13. CLOSURE OF MEETING**

The Presiding Member declared the meeting closed at 7:35pm.