



VISION OF COUNCIL

"A thriving and friendly community that recognises our history and embraces cultural diversity and economic opportunity, whilst nurturing our natural and built environment."

AGENDA

FOR THE

AUDIT AND RISK COMMITTEE MEETING

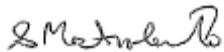
11 FEBRUARY 2020

NOTICE OF MEETING

Dear Council Member,

The next Audit and Risk Committee of the Shire of Broome will be held on Tuesday, 11 February 2020 in the Council Chambers, Corner Weld and Haas Streets, Broome, commencing at 3:00pm.

Regards,



S MASTROLEMBO
Chief Executive Officer

11/02/2020

OUR MISSION

"To deliver affordable and quality Local Government services."

CORE VALUES OF THE SHIRE

The core values that underpin the achievement of the mission will be based on a strong customer service focus and a positive attitude:

Communication
Respect
Transparency

Integrity
Innovation
Courtesy

DISCLAIMER

The purpose of Council Meetings is to discuss, and where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

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SHIRE OF BROOME
AUDIT AND RISK COMMITTEE MEETING
TUESDAY 11 FEBRUARY 2020
INDEX – AGENDA

1.	OFFICIAL OPENING	4
2.	ATTENDANCE AND APOLOGIES.....	4
3.	DECLARATIONS OF FINANCIAL INTEREST / IMPARTIALITY	4
4.	CONFIRMATION OF MINUTES	4
5.	REPORT OF OFFICERS	5
	5.1 COMPLIANCE AUDIT RETURN 2019	5
	5.2 2ND QUARTER FINANCE AND COSTING REVIEW 2019-20	21
6.	MEETING CLOSURE.....	36

1. OFFICIAL OPENING

2. ATTENDANCE AND APOLOGIES

3. DECLARATIONS OF FINANCIAL INTEREST / IMPARTIALITY

4. CONFIRMATION OF MINUTES

RECOMMENDATION:

That the Minutes of the Audit and Risk Committee held on 18 November 2019, as published and circulated, be confirmed as a true and accurate record of that meeting.

5. REPORT OF OFFICERS

5.1 COMPLIANCE AUDIT RETURN 2019

LOCATION/ADDRESS:	Nil
APPLICANT:	Nil
FILE:	LCR02
AUTHOR:	Manager Governance, Strategy and Risk
CONTRIBUTOR/S:	Nil
RESPONSIBLE OFFICER:	Director Corporate Services
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	4 February 2019

SUMMARY: The purpose of this report is to present to the Audit and Risk Committee (ARC) the 2019 Compliance Audit Return (CAR) for review, and to request that the ARC recommend that Council adopt the 2019 CAR for submission to the Department of Local Government, Sport and Cultural Industries (DLGSC) by 31 March 2020.

BACKGROUND

Local governments are required to complete a compliance audit for the previous calendar year by the 31 March. The DLGSC provides the questions each year with the compliance audit being an in-house self audit that is undertaken by the appropriate responsible officer.

In accordance with Regulation 14 of the *Local Government (Audit) Regulations 1996* the ARC is to review the CAR and is to report to Council the results of that review. The CAR is to be:

1. presented to an Ordinary Meeting of Council
2. adopted by Council; and
3. recorded in the minutes of the meeting at which it is adopted.

Following the adoption by Council of the CAR, a certified copy of the return, along with the relevant section of the minutes and any additional information detailing the contents of the return are to be submitted to the DLGSC by 31 March 2020.

The return requires the Shire President and the Chief Executive Officer to certify that the statutory obligations of the Shire of Broome have been complied with.

COMMENT

The DLGSC continues to focus on high risk areas of compliance and statutory reporting as prescribed in Regulation 13 of the *Local Government (Audit) Regulations 1996*.

The CAR for the period 1 January to 31 December 2019 comprises a total of 104 questions, up from 94 questions the previous year. The increase is attributed to three new disclosure of interest questions following the legislative changes in June 2019, two election questions, three additional optional questions and two additional tender questions.

The key focus areas covered in the CAR are as follows:

- Commercial Enterprises by Local Governments (5)
- Delegation of Power/Duty (13)
- Disclosure of Interest (19)
- Disposal of Property (2)
- Finance (16)
- Integrated Planning and Reporting (7)
- Local Government Employees (5)
- Official Conduct (6)
- Optional Questions (4)
- Tenders for Providing Goods and Services (29).

The 2019 CAR has been completed by the responsible officer for each focus area and reviewed by the Executive Management Group and the Chief Executive Officer.

A compliance rating of 100% has been reported.

This continues the Shire's strong history of compliance with minimal non compliances reported over the last 5 years and none of a significant risk nature.

It is important to note that the CAR only covers the *Local Government Act (1995)* and related regulations.

Local Governments are also required to comply with upwards of 200 other pieces of legislation. To provide improved compliance assurance, a Cloud based compliance system is being implemented during 2020. This will provide prioritised legislative monitoring ability that will significantly improve the Shire's compliance framework and reporting capability. The system will also assist in addressing the emphasised compliance focus of the Office of the Auditor General since taking over responsibility for Local Government audits.

CONSULTATION

Nil.

STATUTORY ENVIRONMENT

Local Government (Audit) Regulations 1996

14. Compliance audits by local governments

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —
 - (a) presented to the council at a meeting of the council; and
 - (b) adopted by the council; and
 - (c) recorded in the minutes of the meeting at which it is adopted.

[Regulation 14 inserted in Gazette 23 Apr 1999 p. 1724-5; amended in Gazette 30 Dec 2011 p. 5580-1.]

15. Compliance audit return, certified copy of etc. to be given to Departmental CEO

- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —
- (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
 - (b) any additional information explaining or qualifying the compliance audit,

is to be submitted to the Departmental CEO by 31 March next following the period to which the return relates.

POLICY IMPLICATIONS

Nil.

FINANCIAL IMPLICATIONS

Nil.

RISK

There is a reputational risk with the DLGSC should the CAR not be completed on time or if significant non compliances are reported.

The likelihood of this occurring is rare.

STRATEGIC IMPLICATIONS

Our Organisation Goal – Continually enhance the Shire's organisational capacity to service the needs of a growing community:

Improved systems, processes and compliance

VOTING REQUIREMENTS

Simple Majority

REPORT RECOMMENDATION:

That the Audit and Risk Committee recommends that Council:

1. *Adopt the attached 2019 Compliance Audit Return as the official return for the Shire of Broome; and*
2. *Requests the Chief Executive Officer to submit the certified return and a copy of the minutes relative to this report to the Department of Local Government, Sport and Cultural Industries prior to 31 March 2020.*

Attachments

1. 2019 Compliance Annual Return

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



Department of
Local Government, Sport
and Cultural Industries

Broome - Compliance Audit Return 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	Manager Governance on behalf of CEO	Darren Kennedy
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	Manager Governance on behalf of CEO	Darren Kennedy
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	Manager Governance on behalf of CEO	Darren Kennedy
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	Manager Governance on behalf of CEO	Darren Kennedy
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	Manager Governance on behalf of CEO	Darren Kennedy

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



Department of
Local Government, Sport
and Cultural Industries

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?	N/A	No committees of Council have delegated authority. Manager Governance on behalf of CEO	Darren Kennedy
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing?	N/A	Refer Qu1	Darren Kennedy
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17?	N/A	Refer Qu1	Darren Kennedy
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations?	N/A	Refer Qu1	Darren Kennedy
5	s5.18	Has Council reviewed delegations to its committees in the 2018/2019 financial year?	N/A	Refer Qu1	Darren Kennedy
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	OMC 28 February 2019 Item 9.4.4	Darren Kennedy
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority?	Yes	OMC 28 February 2019 Item 9.4.4	Darren Kennedy
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing?	Yes	OMC 28 February 2019 Item 9.4.4	Darren Kennedy
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes		Darren Kennedy
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	Yes	OMC 28 February 2019 Item 9.4.4	Darren Kennedy
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees?	Yes		Darren Kennedy
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	OMC 28 February 2019 Item 9.4.4	Darren Kennedy
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	As far as can be ascertained. All delegations require delegates and sub delegates to maintain appropriate records.	James Watt
Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent

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



Department of
Local Government, Sport
and Cultural Industries

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	Manager of Governance on behalf of CEO	Darren Kennedy
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?	N/A	No member requested to remain present	Darren Kennedy
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	Manager of Governance on behalf of CEO	Darren Kennedy
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	No gifts received	Darren Kennedy
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	No gifts received	Darren Kennedy
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?	Yes	Attain System	Darren Kennedy
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	Director Development & Community Services Manager Governance, Strategy & Risk	Darren Kennedy
8	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2019?	Yes	Attain System	Darren Kennedy
9	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2019?	Yes	Attain System	Darren Kennedy
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	Attain System	Darren Kennedy
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		Senior Administration and Governance Officer
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		Senior Administration and Governance Officer
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		Darren Kennedy

3 of 13

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



Department of
Local Government, Sport
and Cultural Industries

No	Reference	Question	Response	Comments	Respondent
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		Darren Kennedy
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		Darren Kennedy
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		James Watt
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		James Watt
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		James Watt
19	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees?	Yes		Darren Kennedy

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))?	Yes	5 lease disposal during 2019. Only one required local public notice as others had exemption under F&G Reg 30 2(b) (i) or 2(b)(c)(ii) Completed on behalf of Property & Leasing Senior Officer	Darren Kennedy
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?	Yes	Lease to Kimberley Wild Expeditions advertised in the Broome Advertiser 12/12/19. Completed on behalf of Property & Leasing Senior Officer	Darren Kennedy

4 of 13

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



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

Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1) (2)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates?	N/A	No gifts declared during the election period	Darren Kennedy
2	Elect Reg 30G(3) & (4)	Did the CEO remove any 'disclosure of gifts' forms relating to an unsuccessful candidate or a successful candidate that completed the term of office from the electoral gift register, and retain those forms separately for a period of at least 2 years?	N/A	No gifts declared during the election period	Darren Kennedy
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	SMC 14/11/2019 Item 6.4.1	Alvin Santiago
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		Alvin Santiago
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	Auditor General mandated by Local Government (Auditing) Act 2017 to audit local government units.	Alvin Santiago
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	Auditor General mandated by Local Government (Auditing) Act 2017 to audit local government units.	Alvin Santiago
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	Audit report dated 9/10/2019. Received by Council at OMC 17/10/19.	Alvin Santiago
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	Audit report dated 9/10/2019. Received by Council at OMC 17/10/19.	Alvin Santiago
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?	N/A	No matters raised	Alvin Santiago

5 of 13

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



Department of
Local Government, Sport
and Cultural Industries

No	Reference	Question	Response	Comments	Respondent
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?	N/A	No matters raised	Alvin Santiago
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	Audit report dated 9/10/2019. Received by Council at OMC 17/10/19. Audit report submitted to the Minister on 22 October 2019 and published in the website immediately.	Alvin Santiago
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit?	Yes	As specified in the Audit Strategy Memorandum and Audit Entrance Meeting dated 8 April 2019.	Alvin Santiago
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit?	Yes	As specified in the Audit Strategy Memorandum and Audit Entrance Meeting dated 8 April 2019.	Alvin Santiago
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit?	Yes	As specified in the Audit Strategy Memorandum and Audit Entrance Meeting dated 8 April 2019.	Alvin Santiago
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	As specified in the Audit Strategy Memorandum and Audit Entrance Meeting dated 8 April 2019.	Alvin Santiago
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?	Yes	As specified in the Audit Strategy Memorandum and Audit Entrance Meeting dated 8 April 2019.	Alvin Santiago

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



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

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	OMC 12 December 2019 Item 9.4.3	James Watt
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?	Yes	OMC 12 December 2019 Item 9.4.3	James Watt
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	OMC 13 December 2018 Item 9.4.5	James Watt
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?	N/A		James Watt
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	Asset Management Plan July 2017 received at OMC 14 December 2017 Item 9.4.7	James Watt
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	OMC 12 December 2019 Item 9.4.3	James Watt
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	Plan under review. Original plan not adopted by Council	James Watt

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



Department of
Local Government, Sport
and Cultural Industries

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?	N/A		James Watt
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		James Watt
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)?	N/A		James Watt
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)?	N/A		James Watt
5	s5.37(2)	Did the CEO inform Council of each proposal to employ or dismiss a designated senior employee?	Yes		James Watt

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



Department of
Local Government, Sport
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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		Darren Kennedy
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	No complaints received that resulted in action under s5.110(6)(b) or (c)	Darren Kennedy
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		Darren Kennedy
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		Darren Kennedy
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		Darren Kennedy
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		Darren Kennedy

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



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

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	2019 Financial Management Systems Review Report dated 2 August 2019 and received at OMC 21/11/2019 Item 12.1.	Alvin Santiago
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?	Yes	OMC 23 February 2017 Item 10.3	James Watt
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	Annual Electors Meeting dated 12 December 2019. Note 20 of the Annual Financial Report within the Shire of Broome Annual Report for the financial year ending 30 June 2019.	Alvin Santiago
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	Auditors examined the balanced accounts and annual financial report from 2 September to 5 September. Auditors report received 9 October 2019.	Alvin Santiago

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	Exemption under Reg 11 (2)(c) (i) used on one occasion to invited tenders under a restricted tender process after an earlier tender did not satisfy the value for money assessment.	Darren Kennedy
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		Darren Kennedy
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice?	Yes	Tenderlink, the West Australian	James Carpenter

10 of 13

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



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	Tenderlink, the West Australian	James Carpenter
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		James Carpenter
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		James Carpenter
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?	Yes		James Carpenter
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		James Carpenter
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	We recently moved to an online tender register	James Carpenter
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		James Carpenter
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?	N/A	There were no EOI's in 2019.	James Carpenter
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		James Carpenter
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		James Carpenter
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		James Carpenter
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	Existing Policy 2.1.2	James Carpenter
16	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice?	N/A	No panels of pre-qualified suppliers were undertaken in 2019.	Darren Kennedy

11 of 13

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



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

No	Reference	Question	Response	Comments	Respondent
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		James Carpenter
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		James Carpenter
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		James Carpenter
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		James Carpenter
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		James Carpenter
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		James Carpenter
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		James Carpenter
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?	Yes	Existing Policy 2.1.3	James Carpenter
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?	Yes		James Carpenter
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	Existing Policy 2.1.2	James Carpenter

12 of 13

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



Department of
Local Government, Sport
and Cultural Industries

No	Reference	Question	Response	Comments	Respondent
27	F&G Reg 11A	Did the local government comply with its 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		James Carpenter

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

Signed Mayor / President, Broome

Signed CEO, Broome

5.2 2ND QUARTER FINANCE AND COSTING REVIEW 2019-20

LOCATION/ADDRESS:	Nil
APPLICANT:	Nil
FILE:	FRE02
AUTHOR:	Manager Financial Services
CONTRIBUTOR/S:	Nil
RESPONSIBLE OFFICER:	Director Corporate Services
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	4 February 2020

SUMMARY: The Audit and Risk Committee is requested to consider the results of the 2nd Quarter Finance and Costing Review (FACR) of the Shire's budget for the period ended 31 December 2019, including forecast estimates and budget recommendations to 30 June 2020

BACKGROUNDPrevious Considerations

OMC 27 June 2019	Item 9.4.2
OMC 17 October 2019	Item 12.1
OMC 21 November 2019	Item 9.2.3
OMC 21 November 2019	Item 12.1

COMMENT

The Shire of Broome has carried out its 2nd Quarter FACR for the 2019/20 Financial Year. This Review of the 2019-2020 Annual Budget is based on actuals and commitments for the first six months of the year from 1 July 2019 to 31 December 2019, and forecasts for the remainder of the financial year.

This process aims to highlight over and under expenditure of funds and over and under achievement of income targets for the benefit of Executive and Responsible Officers to ensure good fiscal management of their projects and programs.

Once this process is completed, a report is compiled identifying budgets requiring amendments to be adopted by Council. A summary is provided detailing the financial impact of all proposed budget amendments to the Shire of Broome's adopted end-of-year forecast.

It should be noted that the 2019/20 Annual Budget was adopted at the Ordinary Meeting of Council on 27 June 2019 as a balanced budget. There have been further amendments adopted by Council as part of the Annual Financial Statements for the use of additional carried forward surplus.

The result of all amendments prior to the 2nd Quarter FACR is a \$311,617 deficit upon the Shire of Broome's forecast end of year position. This \$311,617 of opening deficit relates to the following adopted budget amendments to date:

- \$124,000 additional contribution towards a Broome Visitor Centre funding package;

- \$187,617 deficit arising from the Q1 FACR which included several high value amendments:
 - \$160,000 in additional rates due to the omission of 5 properties from the GRV roll provided by Landgate;
 - \$106,000 in additional Chinatown project management costs including shade lighting design, and predicted expenses for ongoing Defects Period and Dispute resolution;
 - \$70,000 for improvements to Ranger and Health business systems to increase efficiencies and payment methods;
 - \$50,000 for the recruitment of a 6-month ICT Project Officer to progress the backlog of ICT projects due to staff vacancies, and assist with business system improvements;
 - \$42,000 decrease in actual Federal Assistance Grants (FAGS) received.

The above figure represents a budget forecast should all expenditure and income occur as expected. It does not represent the actual end-of-year position which can only be determined as part of the normal annual financial processes at the end of the financial year.

A comprehensive list of accounts (refer to Attachment 1) has been included for perusal by the committee and summarised by Directorate.

A summary of the results follows:

SHIRE OF BROOME SUMMARY REPORT						
BUDGET IMPACT						
	2019/20 Adopted Budget (Inc) / Exp	FACR Q2 Overall (Inc) / Exp (Org Savings not subtracted)	FACR Q2 Org. Exp/(Savings) (by Department)	FACR Q2 Impact (Inc) / Exp (Org Savings subtracted)	YTD Adopted Budget Amendments (Inc) / Exp	YTD Impact (Org Savings Subtracted)
Executive	0	31,400	26,400	5,000	17,000	22,000
Corporate Services	0	(371,334)	(371,334)	0	(19,000)	(19,000)
Development and Community	0	(116,446)	(58,040)	(58,406)	68,369	9,963
Infrastructure	0	31,461	34,297	(2,836)	121,248	118,412
Impact of Council approved Budget Amendments	0	0	0	0	124,000	124,000
	0,000*	(424,919)	(368,677)	(56,242)	311,617†	255,375

CONSULTATION

All amendments have been proposed after consultation with Executive and Responsible Officers at the Shire.

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulation 1996

r33A. Review of Budget

- (1) Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.
- (2A) The review of an annual budget for a financial year must —
 - (a) consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
 - (b) consider the local government's financial position as at the date of the review; and
 - (c) review the outcomes for the end of that financial year that are forecast in the budget.
- (2) 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.
- (3) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.

*Absolute majority required.

- (4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

Local Government Act 1995

6.8. Expenditure from municipal fund not included in annual budget

- 1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —
 - (a) is incurred in a financial year before the adoption of the annual budget by the local government;
 - (b) is authorised in advance by resolution*; or
 - (c) is authorised in advance by the mayor or president in an emergency.
- (1a) In subsection (1) —

"additional purpose" means a purpose for which no expenditure estimate is included in the local government's annual budget.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

The **net result** of the Quarter 2 FACR estimates is a budget deficit position of \$255,375 to 30 June 2020.

RISK

The Finance and Costing Review (FACR) seeks to provide a best estimate of the end-of-year position for the Shire of Broome at 30 June 2020. Contained within the report are recommendations of amendments to budgets which have financial implications on the estimate of the end-of-year position.

The review does not, however, seek to make amendments below the materiality threshold unless strictly necessary. The materiality thresholds are set at \$10,000 for operating budgets and \$20,000 for capital budgets. Should a number of accounts exceed their budget within

these thresholds, it poses a risk that the predicted final end-of-year position may be understated.

In order to mitigate this risk, the CEO enacted the FACRs to run quarterly and Executive examine each job and account to ensure compliance. In addition, the monthly report provides variance reporting highlighting any discrepancies against budget.

It should also be noted that should Council decide not to adopt the recommendations, it could lead to some initiatives being delayed or cancelled in order to offset the additional expenditure associated with running the Shire's operations.

STRATEGIC IMPLICATIONS

Our People Goal – Foster a community environment that is accessible, affordable, inclusive, healthy and safe:

Effective communication

Affordable services and initiatives to satisfy community need

Our Prosperity Goal – Create the means to enable local jobs creation and lifestyle affordability for the current and future population:

Affordable and equitable services and infrastructure

Key economic development strategies for the Shire which are aligned to regional outcomes working through recognised planning and development groups/committees

Our Organisation Goal – Continually enhance the Shire's organisational capacity to service the needs of a growing community:

An organisational culture that strives for service excellence

Sustainable and integrated strategic and operational plans

Responsible resource allocation

Improved systems, processes and compliance

VOTING REQUIREMENTS

Absolute Majority

REPORT RECOMMENDATION:

That the Audit and Risk Committee recommends that Council:

- 1. Receives the Quarter 2 Finance and Costing Review Report for the period ended 31 December 2019;*
- 2. Adopts the operating and capital budget amendment recommendations for the year ended 30 June 2020 as attached;*
- 3. Notes a forecast end-of-year position to 30 June 2020 of a \$255,375 deficit position; and*

4. Approves a budget transfer to the Public Open Space Reserve of \$368,677 to quarantine potential surplus funds at the end of the financial year.

5. **(ABSOLUTE MAJORITY REQUIRED)**

Attachments

1. 2019-20 Quarter 2 Finance and Costing Report

SHIRE OF BROOME SUMMARY REPORT						
BUDGET IMPACT						
	2019/20 Adopted Budget (Income) / Expense	FACR Q2 Overall (Income) / Expense (Org Savings not subtracted)	FACR Q2 Org. Expense/(Savings)	FACR Q2 Impact (Income) / Expense (Org Savings subtracted)	YTD Adopted Budget Amendments (Income) / Expense	YTD Impact (Organisational Savings Subtracted)
Executive - Total	0	31,400	26,400	5,000	17,000	22,000
Corporate Services - Total	0	(371,334)	(371,334)	0	(19,000)	(19,000)
Development and Community- Total	0	(116,446)	(58,040)	(58,406)	68,369	9,963
Infrastructure Services - Total	0	31,461	34,297	(2,836)	121,248	118,412
Impact of Council approved budget amendments	0	0	0	0	124,000	124,000
	0,000*	(424,919)	(368,677)	(56,242)	311,617†	255,375

*Council adopted the annual budget with a predicted end-of-year balanced budget, which included previous year carried forward surplus

**Please note that should the Forecast budget predict a deficit greater than 1% of budgeted operating revenue excluding grants and

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 2 2019-20

31/12/2019								
Account	Job	Description	2019/20 Current Budget	2019/20 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description
OFFICE OF THE CEO								
ADMIN1 - Chief Executive Officer - S Mastrolenbo								
24160		Subscriptions Op Exp - Members	45,900	50,295	5,000	50,900		Cost overrun due to UDIA awards nomination for Chinatown Project.
					5,000			
CS3 - Manager People and Culture - R Sharland								
142048		HRM Consultancy - Op Exp	62,000	41,370	26,400	88,400		Additional cost Outside EBA negotiations
					26,400			
ES7 - Special Projects Coordinator - J Macmath								
1367504		Grants & Contr. Received Non Op - Cap Inc - Economic Services Special Projects	-23,321	-73,321	-5,500,000	-5,532,321		Additional \$50K from DPIRD for RED Grant and \$5,500,000 from DPIRD for CRP2 (\$91K budgeted under Chinatown Place Activation Coordinator).
1367419	1367419	Streeter's Jetty Refurbishment (Chinatown Stage 2) Cap Exp	0	0	300,000	300,000		Estimated cost to be incurred by 30 June 2020.
1367221		Chinatown Project Mgmt, Feasibility & Design Consultancy - Cap Exp - Economic Services Special Projects	0	0	25,000	25,000		Estimated cost to be incurred by 30 June 2020.
1367998		Transfer to Restricted Cash Reserve - Cap Exp - Economic Services Special Projects	0	0	5,184,000		5,184,000	Grants received in advance to be transferred to reserves
					0			

OVERALL OFFICE OF THE CEO - DEPT. SAVINGS/EXPENSE

31,400

OFFICE OF THE CEO - ORG. SAVINGS/EXPENSE

26,400

RESERVE MOVEMENT - OFFICE OF THE CEO

5,184,000

OFFICE OF THE CEO - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE)

5,000

DEVELOPMENT & COMMUNITY

BRAC1 - Manager Sport & Recreation - C Zapnick								
113027	113029	Skatepark New Infrs Const - Cap Exp - Other Rec & Sport	58,210	0	-10,000	48,210		Assessment taking place. Anticipated cost \$48,000. \$10K savings.
113702		Club Development Officer Programs Exp - Rec Services	20,930	721	-3,000	17,930		Bulk of workshops to commence prior to 2020 season. Intended timeframe is February - April. \$3K savings.
117156		Program Annual Events - Op Exp - BRAC Dry	8,000	5,978	3,000	11,000		BRAC to Beach Fun Run will be held in June to fit in around other local events resulting in two events occurring in the same financial year.
117002	117182	Salary - Swimming Lessons - Op Exp - BRAC Aquatic	78,452	20,146	-15,000	63,452		Unable to recruit as many qualified instructors as intended resulting in salary savings. Leaving enough salaries budget to cover more lifeguard hours required in wet season.
117171		Salary - Op Exp - Holiday Prog Exps - BRAC Dry	30,616	6,980	-8,000	22,616		Salary savings

Account	Job	Description	2019/20 Current Budget	2019/20 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
117049		Rubbish & Recycling - Op Exp - BRAC - Genera	12,000	15,578	5,775	17,775		18/19 and 19/20 rates of BRAC had only been recognised in July 2019 resulting in underspend in 2018/19 FY, and over spend in 2019/20.	
117256		Program Annual Events - Op Inc - BRAC Dry	-9,683	-3,482	-3,000	-12,683		Additional BRAC 2 Beach Fun Run held in June 2020	
117236		Consumables Sales	-48,000	-29,830	-8,000	-56,000		Increase in consumable sales. Align with increase in expenditure in 117336	
117252		Introductory Programs - Op Inc - BRAC Dry	-10,000	-7,109	-5,000	-15,000		Additional income from BRAC programming (Floorball)	
117294		Grant Income - Non-Op Inc - BRAC Dry	-2,066,889	-524,350	60,000	-2,066,889		Sporting club funding to be separated from BRAC Outdoor Courts project. Funding previously expected no longer available.	
117300	117365	Building New Construction Expense - BRAC Dry - Cap Exp	2,079,869	17,635	-60,000	2,019,869		Remove \$60,000 to show club contribution not committed	
117336		Cost Of Goods Sold Direct (Consumables) Op Exp - BRAC General	30,000	16,531	5,000	35,000		Consumable sales are up on previous years. 117236 also amended to increase to align with 1.6 profit ratio.	
117410		Entry Fees and Spectator Fees - Op Inc - BRAC Aquatic	-253,141	-149,714	-20,000	-273,141		Higher than budgeted pool entries and membership YTD.	
1181420	YBRA001	Youth Bike Recreation Area - New Construction - Cap Exp	577,520	456,955	70,000	647,520		Allocation of the savings realised from the other components of the Safer Communities Grant to Youth Bike Precinct Lighting Project.	
107550	107556	Broome Cemetery New Infrastructure Cap Exp	60,954	2,070	-25,444	35,510		Remaining surplus at the completion of Safer Communities Grant (Broome Cemetery Component)	
125215	125807	Kerr St & Stracke Cove Lighting Upgrade (Safer Comm) - Cap Exp	5,299	0	-5,299	0		Remaining surplus at the completion of Safer Communities Grant (Streetlighting Kerr St & Stracke Cove)	
125225	125232	Street Lighting at Various Locations - Renewal	348,026	151,854	-39,257	308,769		Remaining surplus at the completion of Safer Communities Grant (Other Streetlights)	
117450		BRAC Ovals Upgrade of Infra - Cap Exp	0	0	18,225	18,225		BRAC operation saving to cover Project Brief - Cricket Pitch Cover for Nipper Roe Sports Field.	18,225
					-40,000				
B51 - Manager Planning & Building Services - K Wood									
133015		Consultants - Op Exp - Building Control	3,000	4,931	5,000	8,000		Additional services were required to undertake Certificate of Design Compliance during building surveyors unplanned sick leave.	5,000
133410		Stat Fees & Lic - Building Permits	-50,000	-34,028	-5,000	-55,000		Higher than anticipated income due to large volume of solar permits submitted. Access to solar has now closed. Recommend to increase by \$5K to account for increase in costs for 133015.	
					0				
CMS3 - Events and Economic Development Coordinator - J Hatch									
22174		Sundry In Kind Donations Op Exp - Other Governance	282,086	67,000	-30,941	251,145		Total of \$251,145 allocated by Council resolution EETD and was distributed in the first two quarters of the year. Savings to be utilised to partly fund the \$124,000 BVC contribution.	
23596		Transfer From Community Sponsorship Reserve Cap Inc - Other Gov	0	0	-61,745	-61,745	-61,745	To utilise the remaining funds held in Community Sponsorship Reserve to offset the expenditure for Community Sponsorship. Municipal funds saved to be utilised to partly fund the \$124,000 BVC contribution.	
132060		Tourism Development - Op Exp - Tourism & Area Promotion	76,612	44,000	-12,612	64,000		Anticipated requirement to 30 June 2020 covering \$44,000 Cable Beach Polo and potentially \$20,000 for adhoc tourism initiative requests. Savings to be utilised to partly fund the \$124,000 BVC contribution.	
					-105,298				
CMS4 - Venue Supervisor - S Bown									
116495		Performance Production Expenses - Broome Civic - Op Exp	54,000	25,297	80,000	134,000		To increase the expense budget offset by amounts previously transferred from reserve (Raise the Roof Grants)	
116541		Broome Civic Centre Venue Income - Op Income - Bme Civic Centre	-217,136	-53,557	-7,842	-224,978		Amend the budget to match the actual income.	
					72,158				

Account	Job	Description	2019/20 Current Budget	2019/20 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
H81 - Manager Health & Ranger Services - S Martin									
51010		Salaries - Op Exp - Fire Prevention	418,571	23,311	-70,000	348,571		Salary budget saving to cover to temp Ranger Jul-Sep 2019	-70,000
53015		Relief Staff Exp - Op Exp - Ranger Operations	0	33,716	70,000	70,000		Salary budget saving to cover to temp Ranger Jul-Sep 2019	70,000
52420		Dog Registration - Op Inc - Animal Control	-47,710	-26,396	7,710	-40,000		Historic review average suggests an expected income of \$40k would be more appropriate.	7,710
53400		Sundry (ORV Etc) Fines & Penalties - Op Inc - Other Law Order & Public Safety	-15,060	-1,527	5,060	-10,000		Income is lower than expected due to outstanding replacement infringement books, backlog of penalties waiting to be referred to FER and a focus on education rather than regulation. 5Yr average of \$10k	5,060
74490		Trading Licences - All Except Beach - Op Inc - Prevent - Inspection/Admin	-27,965	-15,962	11,965	-16,000		Reduced number of current traders. 7yr average of \$20k income. Currently 18 traders mix high risk (\$1570/yr) & medium risk (\$1030/yr)	11,965
					24,735				
L81 - Library Coordinator - S Eaton									
115286		SLWA Travel & Accommodation Op Exp - Library	9,642	0	-6,642	3,000		Regional model funding no longer applicable for 19/20. Expect lesser amount of travel for training approx \$2000	
					-6,642				
REQ54 - Place Development and Activation Coordinator - J Mikhlik									
23040		Youth Development Programme & Working Group - Op Exp - Other Governance	38,768	9,397	-12,000	26,768		Anticipated underspend at the completion of the related project deliverables.	-12,000
116101		Festival, Events and Culture Promotion Program General - Op Exp - Other Culture	24,000	0	-20,000	4,000		Grant funding not available for Capacity Building workshops \$12K. Minor spending for Event Mgt Workshop in partnership with DLGSC.	-20,000
1138332		Grant Income & Contributions - Op Inc - Other Culture	-27,000	1,364	12,000	-15,000		Grant funding not available for Capacity Building workshops \$12K	12,000
136723		Chinatown Place Activation Initiatives - Op Exp - Economic Services Special Projects	239,622	41,891	7,993	247,615		To adjust the account balance to cover the following: \$205,000 proposed budget of Chinatown Place Activation from 1 Dec to 30 June 2020. \$42,614 expenditure to date for Discovery Festival and Ladies Night.	
1367218		Town Beach Place Activation (ex CIDC Led Initiatives) - Op Exp - Economic Services Special Projects	1,060	368	18,000	19,060		To transfer the budget for the remainder of 19/20 to cover Town Beach Opening (\$10K) and Activation (\$2K) and \$6K auspic from Country WA grant funding previously budgeted in Chinatown Place Activation budget.	
1367310		Grants & Contributions Received - Op Inc - Other Economic Services	-38,000	0	38,000	0		To consolidate all Chinatown Revitalisation Phase 2 Grant Funding in 1367301. Only \$12K had been raised out of the \$38K targeted grant income.	38,000
1367301		Grants & Contributions Received - Op Inc - Economic Services Special Projects	-32,739	-43,132	-105,393	-138,132		Current budget comprised the following: \$29,131.82 RED Grant from DPIRD \$91,000 19/20 allocation of overall CRP2 project for CPAC \$5,000 from Inpex \$4,000 from Buru \$3,000 from Healthway \$6,000 from Country WA	-91,000
					-61,400				

OVERALL DEVELOPMENT & COMMUNITY - DEPT. SAVINGS/EXPENSE	-116,446	DEVELOPMENT & COMMUNITY - ORG. SAVINGS/EXPENSE	-68,040
RESERVE MOVEMENT - DEVELOPMENT & COMMUNITY	-61,745		
DEVELOPMENT & COMMUNITY - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE)	(58,406)		

Account	Job	Description	2019/20 Current Budget	2019/20 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
CORPORATE SERVICES									
CS1 - Director Corporate Services - J West									
142231		Consultants Corp Serv - Op Exp - Corp Gov Support	61,500	4,393	-25,000	36,500		Phase II Service Delivery Review not required until later this calendar year for consultants to engage with Council and provide high level assistance with second iteration. Request transfer to reserve for use in 20/21 budget.	
141994		Transfer to Restricted Cash Reserve - Cap Exp - Corp Gov & Support	0	0	25,000		25,000	Phase II SDR funds to be made available in 20/21.	
142393		LGIS Insurance Bonus & Funding (Exp in 142332) - Op Inc - Corp Gov	-66,924	-173,880	-140,418	-207,342		Increased dividend received plus rebates previously recognised as reduction of insurance bill have been separated and recognised as income.	-140,418
					-140,418				
CS2 - Manager Financial Services - A Santiago									
30105		Rates Broome - Op Inc - Rates	-22,959,445	-23,147,607	-188,967	-23,148,412		Additional rates from interim valuations as of January 2020.	-188,967
30145		Debt Collection Recovery	76,000	3,459	-8,830	67,170		To adjust the budget based on the confirmed and full amount of PD raised for the year.	
32490		Legal Expense Recovery No GST - Op Inc - Rates	-76,000	-4,386	8,830	-67,170		To reflect both the legal expense and subsequent recoveries at the same amount.	
30149		Legal & Rates Consulting Exp - Op Exp - Rates	20,376	0	-10,376	10,000		Originally budgeted for Djarrindjin Airport rates objection. Not anticipating any need to engage solicitors. Proposing to leave \$10K.	-10,376
32492		Back Rates - Op Inc - Rates	0	-14,886	-14,886	-14,886		Interim and back rates had been budgeted in account 30105 but actuals had been recorded in this account. Adjustment proposed to reconcile.	-14,886
142034		Other Employment Costs - Finance	29,434	15,944	10,813	40,247		Additional employee expenses as per negotiated contract	10,813
142193		Relief Staff - Op Exp - Finance - Corp. Gov. & Support	0	0	40,932	40,932		\$16,232 Relief staff cost to backfill Creditors Officer funded by Salary savings. \$24.7K to cover recruitment costs for various positions.	40,932
142004		Salary - Op Exp - Finance	945,148	449,422	-40,932	904,216		\$16,232 Relief staff cost to backfill Creditors Officer funded by Salary savings. \$24.7K to cover recruitment costs for various positions.	-40,932
					-203,416				
CS6 - Manager Information Technology - C Coulson									
107035		General CCTV & Wireless Network Maint - Op Exp - Other Comm Amen	9,000	0	20,000	29,000		Improvements to Anne Street CCTV to mitigate against further vandalism.	20,000
146110		Minor Assets <\$5000 - IT Exp	150,000	6,570	-90,000	60,000		Budget upload error identified - \$90K	-90,000
146111		IT Contract Consultants - Exp	250,000	17,635	-50,000	200,000		Synergy Feasibility Study transfer \$50K to reserve	
146120		Equip & H/Ware > \$5000 Cap Exp - IT	218,000	2,258	-22,500	195,500		Self Check Terminal \$30k deferred - will form part of Library RFID Project 20/21. Transfer to reserve. Additional \$7,500 for recruitment and performance appraisal software as per P&C project brief.	7,500
146122		Software >\$5000 Cap Exp - IT	231,000	73,835	35,000	266,000		Project Brief - Develop Town Beach Precinct App showcasing historical and environmental information in the precinct	35,000
141995		Transfer to Equip & Insurance Reserve IT Operations Cap Exp	11,589	117	80,000	91,589	80,000	Savings from 146111 Synergy Feasibility Study \$50K and 146120 \$30K Self Check Terminal transfer to Reserve.	
					-27,500				
OVERALL CORPORATE SERVICES - DEPT. SAVINGS/EXPENSE					-371,334	CORPORATE SERVICES - ORG. SAVINGS/EXPENSE			
RESERVE MOVEMENT - CORPORATE SERVICES							105,000		

Account	Job	Description	2019/20 Current Budget	2019/20 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
CORPORATE SERVICES - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE)							0		
INFRASTRUCTURE SERVICES									
E81 - Director Infrastructure - A Graffen									
1107208		Streeters Jetty Renewal - Other Culture - Cap Exp	68,116	0	-68,116	0		Streeters Jetty Refurbishment to be budgeted as part of Chinatown Stage 2 and fully funded by DPIRD. Budget in this account no longer required.	-68,116
1367404	1367407	Dampier St Upgrade - Cap Exp	111,972	16,211	100,000	211,972		Estimated full and final cost at the completion of project negotiation. Cost should have been covered by the DPIRD Grant Funding interest income but interest had to be acquitted together with expenditure as of 30 June 2019.	100,000
1367404	1367408	Carnarvon St Upgrade - Cap Exp	87,976	-411	139,413	227,389		Estimated full and final cost at the completion of project negotiation. Cost should have been covered by the DPIRD Grant Funding interest income but interest had to be acquitted together with expenditure as of 30 June 2019.	139,413
					171,297				
E83 - Manager Works - J Welshman									
125100	BUSN003	Male Oval Bus Shelter - Infra Cap Exp	30,000	15,607	-13,000	17,000		Project completed. Savings to be transferred back to Reserve	
125134		Transfer to Road Reserve (for Bus Shelters)	0	0	13,000	13,000	13,000	Transfer back to Reserve from Male Oval Bus Shelter savings.	
125140	121597	Frangipani Subdivision Footpath Construction Expense - Cap Exp	0	4,810	4,810	4,810		Kerbing costs from last financial year.	
142551		Vehicle & Mob Plant Renewal (Replacement) - Cap Exp - Gen Admin	82,000	23,794	-7,025	74,975		Completed project savings realised	
143049		Relief Staff Exp - P&G - Gen Admin	108,000	0	-86,000	22,000		Budgeted costs for 2 x Trainee's from salary budget. Trainee's engaged through Nirimbuk \$86K.	-86,000
					-88,215				
E85 - Works Coordinator - D Greaves									
125300	125291	Footpath Old Broome Road - One Mile Access/Sandpaper/Short St	0	-3,089	300,000	300,000		Completion of Lighting for footpath project. Developer contribution. (Reserve Acc) Works Programmed for Q3 and Q4 following footpath inspections.	
125964		Transfer From Road Reserve Street Lighting Const - Cap Inc MUN	-411,184	0	-300,000	-711,184	-300,000	'RO: Coordinator Financial Services - Y WANG' - transfer from Reserve to fund the Footpath Old Broome Rd Job # 125291 Developer Contributions received in 18/19.	
					0				
E86 - Senior Project Engineer - Luke McKenzie									
121100	121113	Hammersley St Upgrade Construction - Cap Exp	19,444	11,091	-8,353	11,091		Project completed. Balance of project contingency can be spent on other infrastructure projects. Project has two accounts - this one and 121560 Expense budget (\$35K). Project is to be delivered in Q3 and 4.	
121100	RU555	Old Broome Road/ Gus Winckel Road Upgrade - Capex	168,943	364	195,231	364,174		Project to be delivered in Q3 and 4. Extra \$195,231 BlackSpot grant received. Income account 101217630 is also to be updated with same amount.	
121763		Black Spot Non Op Grant (Commonwealth/Federal)	-870,943	-344,301	-195,231	-1,066,174		Additional \$195,231 BlackSpot grant received for Gus Winckel Old Broome intersection. Income account RU555 updated with same amount. First 40% Claim for Herbert/Saville & GusWinckel/Old Broome Rd.	
1181409		Town Beach Development - Jetty Project - Other Infra New - Cap Exp			6,968,592	6,968,592		Budget amendment proposed to separate TB Jetty Stage 2 into a new account.	

Account	Job	Description	2019/20 Current Budget	2019/20 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
1181408		Town Beach Development - Groyne Project - Other Infra New - Cap Exp	11,268,592	50,560	-9,968,592	4,300,000		Town Beach Jetty Stage 1 - Groyne upgrade budget is \$4.3m. Most of account is comprised of unconfirmed grant funding for the jetty. Budget Amendment proposed to separate TB Jetty Stage 2 into a new account	
					-8,353				
ES8 - Waste Coordinator - T Parkinson									
101031	101037	Liquid Waste - Works - Op Exp - San Gen Refuse	50,000	1,096	-35,000	15,000		Decrease forecast charge to take overflow liquid waste to the Pilbara \$0.41/L to pump out= 122,000L.	
101500		Proceeds From Sale of Assets - Cap Inc - Sanitation Gen Refuse	0	-71,500	-71,500	-71,500		Confirmed income from sale of asset P413.	
1042510		Vehicles & Mobile Plant New - Cap Exp - Sanitation Other	15,170	0	-15,170	0		Trailer Procured in 18/19	
101513		Transfer to Plant Reserve - Cap Exp - Refuse Site	0	0	86,670	86,670	86,670	P413 & Trailer's saving transfer back to Reserve	
101510		Vehicle & Mob Plant Renewal(Replacement)-Cap Exp- Sanit Gen Refuse	295,555	265,820	220,265	515,820		\$29,735 savings from the purchase of WMF Wheel Loader. \$250,000 purchase of glass crusher (Partially offset by \$130K grant funding already received)	
101040		Consultants - Op Exp - Sanitation Gen Refuse	30,000	0	20,000	50,000		Additional \$20K for the Waste Strategy	
101525		Transfer From Refuse Site Reserve - Sanitation Gen Refuse	-133,063	0	-205,265	-338,328	-205,265	Transfer from reserve to balance Sanitation	
					0				
ES9 - Manager Engineering - P Collins									
104600	104695	Hammersley St Upgrade Drainage - Infra Cap Exp	0	11,927	0	0		This Retention for Roadline from the Hammersley Napier roundabout project from Luke Timing - KBR finalising design scope. Works to be carried out Q4	
121000	121560	McDaniel Rd - Archer to Ward Stage 1 New Rd Const - Cap Exp	1,000,000	123,112	667,383	1,667,383		\$97,100 Transfer from Acc:121108. Others from R2R funding brought forward	
121100	121108	McDaniel Rd Upgrade Const - HIA All Streets	97,100	1,375	-97,100	0		\$97,100 Transfer from Acc:121108	
121778		Regional Rd Group (RRG) Rural Rd Const Funding -Non Op Inc- Rd Const	-1,035,000	-479,917	-570,283	-1,605,283		Additional income from RTR and RRG totalling \$570,283 for McDaniel Rd.	
121779		Regional Rd Group (RRG) Urban Rd Const Funding - Non Op Inc- Rd Const	0		0	0		Hunter Stg2 - 2nd 40% \$132K Hunter Stg2 - 1st 20% \$66K Direct Grant \$219K (Budgeted in Dis Account)	
121762		State Direct MRWA/RRG Rd Maint Op Grant Rec'd	-219,242	0	0	-219,242		Funding recieved in 121779	
1181201		Town Beach - Design/Plans/Feeability - Op Exp - Other Recreation & Sport	43,894	26,626	-17,268	26,626		Final review of Jetty design to be carried out. Minor amendment to lighting design required.	
					-17,268				
PK3 - Parks Coordinator - C Hankinson									
113550	113606	Sugar Glider Park New Const - Cap Exp	51,000	0	-51,000	0		Job completed and costed against another account.	-51,000
113000	113581	Matsumoto Courts - P&G Maint	9,810	649	5,000	14,810		To undertake rubbish and debris clearing, weeding, dusting works on 4 courts with better surfaces at the Matsumoto Courts prior to the BRAC outdoor upgrade works.	
117210	117211	BRAC Ovals - P&G Maint	379,511	175,565	20,000	399,511		To reverse previous reduction made on this account to cover repairs from bird damage.	
					-26,000				
PM3 - Property and Leasing Senior Officer - A Rowett									
96200		1/17 Honeyeater Loop - Rent & Recoup Income - Op Inc	-20,625	-2,820	18,000	-2,625		Decreased income due to vacancy.	
96204		2/50 Tanami Drive - Rent & Recoup Income - Op Inc	-19,650	-24,624	-5,000	-24,650		Rental income from November 2019 to 30 June 2020 at \$465/week	
144027		Property Dept Legal Expenses - Op Exp - Property Dept (see legal recovery optinc 142395)	15,000	22,054	10,000	25,000		Additional legal expense budget request	

Account	Job	Description	2019/20 Current Budget	2019/20 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
142995		Reimbursement Property Dept Legal Fee - Op Inc - Corp Gov & Supp (Legal opex refer 144027)	-5,000	0	-10,000	-15,000		Recoupment of additional legal expenses requested.	
145561		Lot 1002 Shelduck Way - Rent & Recoup Income - Op Inc	-15,750	-13,532	-13,000	-28,750		Rental income from 4 August 2019 to 30 June 2020 at \$678/week.	
					0				

Account	Job	Description	2019/20 Current Budget	2019/20 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
		OVERALL INFRASTRUCTURE SERVICES - DEPT. SAVINGS/EXPENSE			31,461			INFRASTRUCTURE - ORG. SAVINGS/EXPENSE	34,297
		RESERVE MOVEMENT - INFRASTRUCTURE					-405,595		
		INFRASTRUCTURE SERVICES - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE)					-2,536		

6. MEETING CLOSURE

These minutes were confirmed at a meeting held (DD Month Year),
and signed below by the Presiding Person, at the meeting these minutes were confirmed.

Signed: