



## MINUTES OF AUDIT COMMITTEE MEETING HELD 14 SEPTEMBER 2010.

I hereby certify that the Minutes of the Audit Committee meeting held 14 September 2010 are a true and accurate record of the proceedings contained therein.

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*Chairperson Confirmed*

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## 1 Declaration of Opening

The Chair was an apology for the meeting so the Chief Executive Officer opened the meeting 4.30pm and called for nominations for chair for the meeting.

### COMMITTEE RESOLUTION

Minute AC218

Moved: Cr F Mills

Seconded: Cr J Parker

That Cr D Ausburn be elected acting chair of the Audit Committee.

Carried Unanimously: 3/0

## 2 Record of Attendance

Cr D Ausburn	(Acting Chair)
Cr F Mills	Committee Member
Cr J Parker	Committee Member
Gary Gaffney	Chief Executive Officer
Jo-Anne Ellis	Director Corporate Services

### Apologies

Cr K Wright	Committee Chair
Gill Old	Manager Financial Services

## 3 Declaration of Interest

- Financial  
Nil
- Members Impartially Interest  
Nil
- Proximity Interest  
Nil

#### **4 Acceptance of Minutes of Previous Meeting**

##### **4.1 Audit Committee Meeting Minutes 13 July 2010**

###### Recommendation

That the minutes of the Audit Committee meeting of the 13 July 2010 be accepted as a true and accurate record of proceedings.

###### **COMMITTEE RESOLUTION**

###### **Minute AC219**

**Moved: Cr J Parker**

**Seconded: Cr F Mills**

**That the minutes of the Audit Committee meeting of the 13 July 2010 be accepted as a true and accurate record of proceedings.**

**Carried Unanimously: 3/0**

## 5 Officer's Report

### 5.1 Standing Item - 90 Day Aged Debtors Listing

<b>DATE:</b>	14 September 2010
<b>PROPONENT:</b>	Shire of Wyndham East Kimberley
<b>LOCATION:</b>	Shire of Wyndham East Kimberley
<b>AUTHOR:</b>	Sandy Griffiths, Finance Officer
<b>REPORTING OFFICER:</b>	Jo-Anne Ellis, Director Corporate Services
<b>FILE NO:</b>	60.14.03
<b>ASSESSMENT NO:</b>	N/A

#### **PURPOSE**

To present the listing of Aged Debtors with balances outstanding for 90 days or longer.

#### **BACKGROUND**

The listing of 90 Day Sundry Debtors has traditionally been provided at the Ordinary Council Meeting on a monthly basis. At the 21 February Audit Committee Meeting the Committee resolved to recommend to Council that the Audit Committee be presented with the item as this falls within the scope of the committee's purpose.

The following recommendation was adopted by Council at Ordinary Meeting on 18 March 2008:

*Minute No: 8102*

*Moved: Cr K Wright*

*Seconded: Cr Paul Caley*

*That Council:*

- 1. That the 90 days debtor list be removed from the Council Agenda as a standing item and be presented to the Audit Committee for consideration and to make recommended actions to Council.*

*Carried Absolute Majority 8/0*

#### **STATUTORY IMPLICATIONS**

Nil.

#### **POLICY IMPLICATIONS**

Nil.

#### **FINANCIAL IMPLICATIONS**

Ongoing management of Council funds.

#### **STRATEGIC IMPLICATIONS**

Key Result Area 5 – Governance

## **COMMUNITY CONSULTATION**

Community Consultation is not required in relation to this item.

## **COMMENT**

The listing of 90 Day Sundry Debtors is presented to the Audit Committee as per Council resolution.

## **ATTACHMENTS**

Sundry Debtors as at 31 August 2010  
Sundry Debtors as at 31 August 2010 including debtor names  
(Confidential Attachment provided under separate cover)

## **VOTING REQUIREMENT**

Simple Majority

## **RECOMMENDATION**

That the Audit Committee

1. receives and accepts the listing of 90 Day Sundry Debtors as at 31 August 2010 totalling \$61,624.09 (GST inclusive); and
2. reports to Council that the actions being undertaken by the administration in regard to 90 Day Sundry Debtors are sufficient and appropriate and no further actions are recommended at this time.

## **COMMITTEE RESOLUTION**

**Minute AC220**

**Moved: Cr J Parker**

**Seconded: Cr F Mills**

**That the Audit Committee**

1. receives and accepts the listing of 90 Day Sundry Debtors as at 31 August 2010 totalling \$61,624.09 (GST inclusive); and
2. reports to Council that the actions being undertaken by the administration in regard to 90 Day Sundry Debtors are sufficient and appropriate and no further actions are recommended at this time.

**Carried Unanimously: 3/0**

**Attachment 1 - Sundry Debtors as of 31 August 2010**

Debtor Number	90 Days	31 August 2010	Debt Collection Status for Debts over 90 Days
82899	\$3,079.71	\$309,824.31	Left message to call back
132	\$599.32	\$610.23	Attempting to locate customer
96408	\$12.50	\$12.50	Left message to call me back
247	\$300.00	\$300.00	Health sent letter
246	\$300.00	\$300.00	Health sent letter
86111	\$0.18	\$84.40	Interest charges – notified via statement at EOM
83026	\$117.55	\$119.70	Left message to call me back
82295	\$200.00	\$200.00	Health sent letter
146	\$6,448.73	\$6,485.66	Sent copies through
82980	\$3,249.90	\$11,478.06	Going to make payment this week
177	\$200.00	\$200.00	Health sent letter
98110	\$7.65	\$103.06	Interest charges – notified via statement at EOM
82571	\$5.93	\$93.40	Interest charges – notified via statement at EOM
142	\$100.00	\$100.00	Health sending reminder letter
96468	\$0.51	\$21.51	Health sent letter
86193	\$0.44	\$0.44	Interest charges – notified via statement at EOM
96479	\$4.05	\$13.50	Interest charges – notified via statement at EOM
3104	\$0.13	\$189.26	Interest charges – notified via statement at EOM
82070	\$200.00	\$200.00	Health sent letter
81452	\$0.99	\$11.49	Interest charges – notified via statement at EOM
96273	\$0.66	\$484.15	Interest charges – notified via statement at EOM
82268	\$0.04	\$0.04	Interest charges – notified via statement at EOM
80737	\$205.31	\$209.05	Unable to locate – debt from 2008
81449	\$0.33	\$116.17	Interest charges – notified via statement at EOM
98405	\$208.86	\$1,584.23	Need to call
56	\$95.34	\$97.07	Unable to locate
96301	\$1.08	\$238.70	Interest charges – notified via statement at EOM
98587	\$0.32	\$23.62	Interest charges – notified via statement at EOM
96367	\$0.27	\$0.27	Interest charges – notified via statement at EOM
3257	\$11.31	\$14,158.02	Interest charges – notified via statement at EOM
193	\$0.06	\$0.06	Interest charges – notified via statement at EOM
82931	\$2.41	\$928.45	Interest charges – notified via statement at EOM
80258	\$3,302.33	\$5,056.56	Left message to call me back
80625	\$0.34	\$1.61	Interest charges – notified via statement at EOM
82935	\$330.01	\$1,468.37	Left message to call me back
96489	\$158.07	\$2,105.60	Need to call
81900	\$231.59	\$389.50	Health sent letter
101	\$16.24	\$16.45	Interest charges – notified via statement at EOM
196	\$0.31	\$0.31	Interest charges – notified via statement at EOM
96484	\$0.51	\$8,777.89	Interest charges – notified via statement at EOM
80165	\$17,505.55	\$17,505.55	Paying \$125.00 week as per agreement
98563	\$11,050.86	\$11,252.22	Refer Agenda Item Debts Under Legal Action.
82072	\$200.00	\$200.00	Health sending reminder letter
82942	\$2.07	\$993.95	Interest charges – notified via statement at EOM
81	\$0.23	\$0.23	Interest charges – notified via statement at EOM
82558	\$8,953.51	\$8,953.51	Need to call
80129	\$283.07	\$182,131.29	Interest charges – notified via statement at EOM
96870	\$0.99	\$1.00	Interest charges – notified via statement at EOM
99	\$200.00	\$200.00	Health sending reminder letter
96352	\$2,893.32	\$4,129.20	Account with Management
81448	\$97.05	\$98.31	Need to call
81239	\$0.06	\$0.06	Interest charges – notified via statement at EOM
4009	\$0.93	\$243.17	Interest charges – notified via statement at EOM
82551	\$12.26	\$1,306.45	Interest charges – notified via statement at EOM
86160	\$0.20	\$0.20	Interest charges – notified via statement at EOM
96375	\$6.01	\$9.66	Interest charges – notified via statement at EOM
86096	\$225.00	\$425.00	Health sending reminder letter
81455	\$800.00	\$800.00	Health sending reminder letter
	\$61,624.09	\$594,253.44	

## 5.2 Standing Item - Debts Currently in Legal Process

<b>DATE:</b>	14 September 2010
<b>PROPONENT:</b>	Shire of Wyndham East Kimberley
<b>LOCATION:</b>	Shire of Wyndham East Kimberley
<b>AUTHOR:</b>	Gill Old, Manager Financial Services
<b>REPORTING OFFICER:</b>	Jo-Anne Ellis, Director Corporate Services
<b>FILE NO:</b>	61.23.02 / 61.22.14

### **PURPOSE**

To the Audit Committee with an update regarding debts currently in legal process.

### **BACKGROUND**

At the Ordinary Council Meeting, 16 October 2007, Council moved the following resolution:

*Minute No. 7936*

*That Council direct the CEO to provide a written report to Council under confidential cover each month in regard to all debts currently in legal process.*

*Carried Unanimously 5/0*

At the Ordinary Council Meeting, 18 March 2008, Council moved the following:

*Minute No: 8148*

*Moved: Cr J Parker*

*Seconded: Cr F Mills*

*That Council:*

- 1. note the confidential report provided to it in relation to debts owed to Council and under legal action.*
- 2. direct the Executive Manager Corporate Services to provide a written report to the Audit Committee under confidential cover at each Audit Committee meeting in regard to all debts currently in legal process.*
- 3. request the Audit Committee to make recommendations to Council as required and appropriate in relation to the report provided under confidential cover regarding debts currently in legal process.*
- 4. resolve that this requirement replaces the previous requirement on the CEO to report information to Council.*

*Carried Unanimously 8/0*

This report is therefore presented.

### **STATUTORY IMPLICATIONS**

This item in a Council Meeting needs to be discussed behind closed doors under Section 5.23. (2) (e) (iii) of the Local Government Act 1995 because the item may disclose information about the business, professional, commercial or financial affairs of a person and because the item also contained legal advice to the Council.

As the Audit Committee has no delegated powers it does not need to open to the public and therefore the provisions of Section 5.23 are not relevant.

## **POLICY IMPLICATIONS**

Nil

## **FINANCIAL IMPLICATIONS**

Legal fees may be incurred to recover debts or revenue written off if debt recovery is considered not economically viable.

## **STRATEGIC IMPLICATIONS**

The costs associated with legal fees to recover debt need to be weighed up against the debt to ensure and economically viable action is being taken.

## **COMMUNITY CONSULTATION**

Community Consultation is not required in relation to this item.

## **COMMENT**

The listing of Debtors currently in legal process is presented to the Audit Committee as per Council resolution.

## **ATTACHMENTS**

Sundry Debtors under legal action as at 31 August 2010.  
(Confidential Attachment provided under separate cover)  
Rates Debtors under legal action as at 31 August 2010  
(Confidential Attachment provided under separate cover)

## **VOTING REQUIREMENT**

Simple Majority

## **RECOMMENDATION**

That the Audit Committee

1. notes the confidential report provided to it in relation to debts owed to Council and under legal action; and
2. reports to Council that the actions being undertaken by the administration in regard to debts under legal action are appropriate and sufficient and that no additional actions are recommended in relation to these debts at this time.

## **COMMITTEE RESOLUTION**

**Minute AC221**

**Moved: Cr J Parker**

**Seconded: Cr F Mills**

**That the Audit Committee**

1. notes the confidential report provided to it in relation to debts owed to Council and under legal action; and
2. reports to Council that the actions being undertaken by the administration in regard to debts under legal action are appropriate and sufficient and that no additional actions are recommended in relation to these debts at this time.

**Carried Unanimously: 3/0**

## **6 Project Updates**

This item is to provide information to the Audit Committee on

- ongoing projects not subject to officers reports
- items that do not require a Council decision

A confidential attachment has been provided under separate cover.

## **7 Requests for Officers Reports**

This section is included in the agenda in place of General Business to improve the meeting process and to enable the Audit Committee to make informed decisions based on adequate research and an officer recommendation. Even though this item exists committee members can request officer reports at any time (giving suitable preparation time prior to the agenda deadline).

## **8 Closure of Meeting**

With all the business of the meeting concluded the acting chair thanked all those in attendance and closed the meeting at 5.07pm.