



# Ordinary Council Meeting

## Minutes

### 30 January 2023

#### Open Council Meetings – Procedures

1. All Council meetings are open to the public, except for matters raised by Council under “confidential items”.
2. Members of the public may ask a question at an ordinary Council meeting under “public question time”.
3. Members of the public who are unfamiliar with meeting procedures are invited to seek advice at the meeting. If unsure about proceedings, just raise your hand when the presiding member announces public question time.
4. All other arrangements are in accordance with the Council’s standing orders, policies and decisions of the Council.

**Undersigned**

**Chief Executive Officer**

**Bunbury-Harvey Regional Council**  
Lot 45 Stanley Road, Wellesley  
Western Australia 6233

*Correspondence to:*  
Post Office Box 111  
Australind WA 6233

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## VISION

To develop, implement and maintain innovative and sustainable waste reduction, recycling and landfilling services while managing waste facilities with best practice standards for the councils of the Wellington Region and beyond.

To provide sustainable waste minimisation, recycling and alternative waste treatment services to an informed community while reducing the environmental impact of waste and maximising the conservation of natural resources through reduced material use and increased resource recovery

## MISSION

To ensure the delivery of an integrated, cost-effective and environmentally sound waste management system and to promote sustainable community programs and policies ensuring that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations.

Reduce the environmental impact of waste and maximise conservation of natural resources through reduced overall material use and increased materials and energy recovery.

## VALUES

### *Excellence:*

To provide best practice facilities and waste services to our community through the development of quality controls and continuous improvements.

### *Leadership:*

Having a clear vision and direction, that engages with key stakeholders and our community.

### *Integrity:*

Acting with a level of trust, respect, honesty, hard work, communication and shared responsibility that is exhibited by its people.

### *Accountability:*

To ensure the collection and management of solid waste and recovered materials in an environmentally sound manner and in accordance with regulatory requirements and the Department of Water and Environmental Regulation licence conditions.

### *Innovation:*

Embrace new and better ways to achieve improved results through creativity, inventiveness and teamwork.

### *Respect*

We value diversity and respect and are committed to work towards integrating the principles of Equal Employment Opportunity and ensure that the work environment is free from harassment and discrimination. We value and respect all members of our community.



# Bunbury-Harvey Regional Council

## Minutes

Minutes of the Ordinary Meeting of the Bunbury-Harvey Regional Council held in the Administration Complex, Stanley Road Waste Management Facility, Lot 45 Stanley Road, Wellesley on Thursday, 30 January 2023 at 4:15pm

## Minutes

### 1. Declaration of Opening / Announcement of Visitors

The meeting was declared open by Cr Tresslyn Smith at 4:15pm

These Minutes were confirmed as being true and correct by Council on [Click here to enter a date.](#) by Council Resolution: [Click here to enter text.](#)

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**Cr Tresslyn Smith**  
Chairperson

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**Mr Peter Keane**  
Chief Executive Officer

### 2. Attendances and Apologies

#### 2.1. Attendances

<b><i>Council Members:</i></b>	<b>Representing</b>
Cr Tresslyn Smith ( <b>Chairperson</b> )	City of Bunbury
Cr Wendy Dickinson ( <b>Deputy Chairperson</b> )	Shire of Harvey
Cr Karen Turner	City of Bunbury
Cr John Bromham	Shire of Harvey
Cr Ben Andrew	City of Bunbury
<b><i>Executive Leadership Team (Non-Voting)</i></b>	<b>Representing</b>
Mr Peter Keane	Chief Executive Officer (BHRC) ( <i>via Teams</i> )
Ms Annie Riordan ( <i>arrived at 4.18pm</i> )	Chief Executive Officer (Shire of Harvey)
<b><i>Officers (Non-Voting)</i></b>	<b>Representing</b>
Ms Vicki Gregg	Finance Manager
Mrs Taryn York	Council Meeting Support Officer
Mr Jethro Sleer	Operations Manager
<b><i>Others(Non-Voting)</i></b>	<b>Representing</b>
Mr Rick Lotznicker	Shire of Harvey
Mr Gavin Harris	City of Bunbury
Mr Haydn Jones	Shire of Harvey

#### 2.2. Apologies

Mr Mal Osborne, CEO, City of Bunbury

### 3. Public Question Time

Nil

### 4. Summary of Response to previous Questions taken on notice

Nil

### 5. Applications for Leave of Absence

Nil

### 6. Confirmation of Minutes

The minutes of the Ordinary meeting of Council held on 24 November 2022, are confirmed as a true accurate record.

MOVED BY: Cr John Bromham

SECONDED BY: Cr Karen Turner

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC300123-1862

The minutes of the Special meeting of Council held on 7 December 2022, are confirmed as a true accurate record.

MOVED BY: Cr Wendy Dickinson

SECONDED BY: Cr Ben Andrew

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC300123-1863

### 7. Petitions / Memorials / Presentations

Nil

### 8. Declarations of Interests

Nil

### 9. Announcements (by the presiding member without discussion)

Nil

### 10. Reports of Committees

Nil

### 11. Reports of Officers

## 11.1. Financial Statements for the period ending 30 November 2022

<b>Applicant / Proponent:</b>	Internal			
<b>Responsible Officer:</b>	Vicki Gregg, Finance Manager			
<b>Responsible Manager:</b>	Peter Keane, Finance Manager			
<b>Executive:</b>	Peter Keane, Chief Executive Officer			
<b>Authority / Discretion:</b>	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
<b>Attachment(s):</b>	<b>Attachment 1</b> - Financial Statements for Period Ending 30 November 2022 (Appendices 1 – 8)			

### Summary

The following comments are provided on the key elements of Council's Financial Performance:

1. Statement of Comprehensive Income (**attached at Appendix 1**)
  - a. Year-to-date Financial Performance to 30 November 2022

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date Income	4,428,538	2,493,981	1,934,557	Favourable
• Year-to-date Expenditure	(2,812,853)	(3,234,205)	(421,352)	Favourable
• Year-to-date Operating Surplus/(Deficit)	1,615,684	(740,224)	2,355,908	Favourable

2. Statement of Financial Activity (**attached at Appendix 3**)

Closing Deficit to 30 June 2023 is forecast to be \$200,803. All forecast changes noted will be included in the February 2023 Budget Review.

3. Capital Works

	ACTUAL	BUDGET	VARIANCE
• Year-to-date Capital Expenditure	(1,118,749)	(1,118,749)	0

4. Statement of Financial Position (**attached at Appendix 5**)

	Year-to-date	Forecast
• Current Assets of \$4,586,331 includes:		
○ Cash and Cash Equivalents	2,036,544	738,985
○ Trade and Other Receivables	2,531,431	306,589
○ Prepayments	0	31,942
○ Inventories	18,357	18,357

• Current Liabilities of \$8,408,351 includes:		
○ Trade and Other Payables	8,100,984	487,169
○ Provisions	307,367	306,964

• Working Capital ( <b>Current Assets less Current Liabilities</b> ) is:	(3,822,020)	301,739
• Equity ( <b>Total Assets less Total Liabilities</b> ) is	759,953	12,046,347
• Reserves	1,662,875	501,737

## 5. Investments

Total of \$1,668,909.89 includes:			
	Invested Funds \$	% of Total Funds	Max % of Total Funds Allowed
o Commonwealth Bank	465,019.42	28%	75
o National Australia Bank	1,203,890.47	72%	75
<b>TOTAL:</b>		100%	

### *Executive Recommendation*

#### **That Council:**

Receive and accept the Financial Statements for period ending 30 November 2022 as presented to Council.

**MOVED BY:** Cr Karen Turner

**SECONDED BY:** Cr Ben Andrew

**RESULT:** CARRIED ~~LOST~~ 5 / 0

**RESOLUTION:** OC300123-1864

### *Background*

A financial management report is provided to Councillors on a monthly basis which includes the following summaries:

- Statement of Comprehensive Income (attached at **Appendix 1**)
- Banksia Road Operations (attached at **Appendix 2**)
- Statement of Financial Activity (attached at **Appendix 3**)
- Statement of Financial Position (attached at **Appendix 4**)
- Statement of Net Current Assets (attached at **Appendix 5**)

### *Legislative Compliance*

In accordance with the provisions of Section 6.4 of the Local Government Act 1995 and Regulations 34(1) of the Local Government (Financial Management) Regulations 1996, a Local Government is to prepare each month a Statement of Financial Activity (Attached at Appendix 3) reporting on the revenue and expenditure as set out in the annual budget under Regulations 22 (1) (d) for this month.

At the Council Meeting on 31 August 2022, Council adopted that a variance between actual and budget-to-date of greater than or equal to 10% and \$15,000 is considered to be a material variance for reporting purposes in the Statement of Financial Activity for 2022/2023.

### *Consultation*

Nil

### *Financial Implications*

As per the 2022/23 Financial Budget. Any forecast changes noted will be included in the February 2023 Budget Review.

### *Statutory Environment*

Sections 12 and 13 of the Local Government (Financial Management) Regulations 1996 Apply.

### *Strategic Implications*

Nil

### *Policy Implications*

Nil

### Officer Comment

The following is an explanation of significant variances identified in the Statement of Financial Activity:

#### Revenue

Interest Earnings – Favourable year-to-date variance of \$12,548 due to higher than anticipated interest rates. Forecast adjustments have been entered and will be included in the February Budget Review.	\$12,548 1,255%
Contributions – Favourable year-to-date variance due to the cell capping contributions being received by member councils. This was previously budgeted as a capital contribution; however, it is operating in nature and has been reallocated to operating revenue. Forecast adjustments have been entered and will be included in the February Budget Review.	\$1,966,750 605%

#### Expenditure

Employee Costs – Favourable year-to-date variance of \$237,452 due to the council operating on a reduced workforce. It is anticipated that some of these savings will be utilised for contractors to ensure all required works are being completed. This will be addressed in the February Budget Review.	\$237,452 19%
Other Expenditure – Favourable year-to-date \$134,343 mainly due to lower than anticipated disposal costs from the Stanley Road and Banksia Road sites (\$135K), this is anticipated to still be utilised later in the financial year.	\$134,343 14%

### Voting Requirement

Simple Majority

#### 11.2. Financial Statements for the period ending 31 December 2022

<b>Applicant / Proponent:</b>	Internal			
<b>Responsible Officer:</b>	Vicki Gregg, Finance Manager			
<b>Responsible Manager:</b>	Peter Keane, Chief Executive Officer			
<b>Executive:</b>	Peter Keane, Chief Executive Officer			
<b>Authority / Discretion:</b>	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
<b>Attachment(s):</b>	<b>Attachment 2</b> - Financial Statements for Period Ending 31 December 2022 (Appendices 1 – 8)			

### Summary

The following comments are provided on the key elements of Council's Financial Performance:

1. Statement of Comprehensive Income (**attached at Appendix 1**)
  - a. Year-to-date Financial Performance to 31 December 2022

	ACTUAL	BUDGET	VARIANCE	
• Year-to-date Income	7,575,569	2,974,549	4,601,020	Favourable
• Year-to-date Expenditure	(3,326,574)	(3,843,437)	(516,863)	Favourable
• Year-to-date Operating Surplus/(Deficit)	4,248,996	(868,888)	5,117,884	Favourable

2. Statement of Financial Activity (**attached at Appendix 3**)



Closing Deficit to 30 June 2023 is forecast to be \$198,912. All forecast changes noted will be included in the February 2023 Budget Review.

### 3. Capital Works

	ACTUAL	BUDGET	VARIANCE
• Year-to-date Capital Expenditure	(1,136,785)	(1,628,749)	(491,964)

### 4. Statement of Financial Position (attached at Appendix 5)

• Current Assets of \$8,896,964 includes:	<b>Year-to-date</b>	<b>Forecast</b>
○ Cash and Cash Equivalents	4,296,062	743,526
○ Trade and Other Receivables	4,575,703	306,964
○ Prepayments	6,842	31,942
○ Inventories	18,357	18,357
• Current Liabilities of \$8,554,053 includes:		
○ Trade and Other Payables	8,246,687	487,169
○ Provisions	307,367	306,964
• Working Capital (Current Assets <i>less</i> Current Liabilities) is:	342,910	306,280
• Equity (Total Assets <i>less</i> Total Liabilities) is	4,875,229	12,050,888
• Reserves	1,663,029	504,387

### 5. Investments

Total of \$3,868,286 includes:			
	Invested Funds \$	% of Total Funds	Max % of Total Funds Allowed
○ Commonwealth Bank	2,664,396	69%	75
○ National Australia Bank	1,203,890	31%	75
<b>TOTAL:</b>		100%	

### Executive Recommendation

#### That Council:

Receive and accept the Financial Statements for period ending 31 December 2022 as presented to Council.

MOVED BY: Cr John Bromham

SECONDED BY: Cr Ben Andrew

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC300123-1865

### Background

A financial management report is provided to Councillors on a monthly basis which includes the following summaries:

- Statement of Comprehensive Income (attached at **Appendix 1**)
- Banksia Road Operations (attached at **Appendix 2**)
- Statement of Financial Activity (attached at **Appendix 3**)
- Statement of Financial Position (attached at **Appendix 4**)

- Statement of Net Current Assets (attached at **Appendix 5**)

### *Legislative Compliance*

In accordance with the provisions of Section 6.4 of the Local Government Act 1995 and Regulations 34(1) of the Local Government (Financial Management) Regulations 1996, a Local Government is to prepare each month a Statement of Financial Activity (Attached at Appendix 3) reporting on the revenue and expenditure as set out in the annual budget under Regulations 22 (1) (d) for this month.

At the Council Meeting on 31 August 2022, Council adopted that a variance between actual and budget-to-date of greater than or equal to 10% and \$15,000 is considered to be a material variance for reporting purposes in the Statement of Financial Activity for 2022/23.

### *Consultation*

Nil

### *Financial Implications*

As per the 2022/23 Financial Budget. Any forecast changes noted will be included in the February 2023 Budget Review.

### *Statutory Environment*

Sections 12 and 13 of the Local Government (Financial Management) Regulations 1996 Apply.

### *Strategic Implications*

Nil

### *Policy Implications*

Nil

### *Officer Comment*

The following is an explanation of significant variances identified in the Statement of Financial Activity:

#### **Revenue from Operating Activities**

Interest Earnings – Favourable year-to-date variance of \$17,989 due to higher than anticipated interest rates. Forecast adjustments have been entered and will be included in the February Budget Review.	\$17,989 1,499%
Contributions – Favourable year-to-date variance due to the cell capping and mattress disposal contributions being received by member councils. The cell capping contributions were previously budgeted as a capital contribution; however, it is operating in nature and has been reallocated to operating revenue. Forecast adjustments have been entered and will be included in the February Budget Review.	\$4,655,417 1,432%

#### **Expenditure from Operating Activities**

Employee Costs – Favourable year-to-date variance of \$264,502 due to the council operating on a reduced workforce. It is anticipated that some of these savings will be utilised for contractors to ensure all required works are being completed. This will be addressed in the February Budget Review.	\$264,502 19%
Other Expenditure – Favourable year-to-date \$168,560 mainly due to lower than anticipated disposal costs from the Stanley Road and Banksia Road sites (\$172K), this is anticipated to still be utilised later in the financial year.	\$168,560 14%

### Investing Activities

Non-Operating Grants and Contributions – Favourable year-to-date variance of \$500K mainly due to receiving the first milestone for the Organics Facility grant which the BHRC was recently awarded.	\$500,00 50%
Infrastructure Acquisitions – Favourable year-to-date variance due to the timing of the cell capping invoices.	\$491,964 30%

### Voting Requirement

Simple Majority

#### 11.3. Summary of Accounts paid for period ending 30 November 2022

<b>Applicant / Proponent:</b>	Internal			
<b>Responsible Officer:</b>	Vicki Gregg, Finance Manager			
<b>Responsible Manager:</b>	Peter Keane, Chief Executive Officer			
<b>Executive:</b>	Peter Keane, Chief Executive Officer			
<b>Authority / Discretion:</b>	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input type="checkbox"/>
<b>Attachment(s):</b>	<b>Attachment 3</b> - Summary of Accounts paid for period ending 30 November 2022			

### Summary

Section 13 (2) of Government (Financial Management) Regulations 1996 require that where Local Government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing detail for each account paid since such list was prepared. This item is presented to Council to advice of payments made for 30 November 2022.

### Officer Recommendation

**That Council:**

Receive and accept the Summary of Accounts paid for period ending 30 November 2022 as presented to Council.

**MOVED BY:** Cr Ben Andrew

**SECONDED BY:** Cr Wendy Dickinson

**RESULT:** CARRIED ~~LOST~~ 5 / 0

**RESOLUTION:** OC300123-1866

### Background

As noted in Summary.

### Voting Requirement

Simple Majority

### Officer Comment

The attachment details all payments made for 30 November 2022

### Consultation

Nil

### Financial Implications

As per the declaration within the schedule summary, the accounts have been checked and are fully supported by vouchers and invoices and which have been duly certified as to the receipt of goods and the rendition of service and as to prices, computation and costing(s). Sufficient allocations are contained within the 2022/2023 budget to cover payment of the accounts.

### Statutory Environment

Sections 12 and 13 of the Local Government (Financial Management) Regulations 1996 Apply.

### Strategic Implications

Nil

### Policy Implications

Nil

#### 11.4. Summary of Accounts paid for period ending 31 December 2022

<b>Applicant / Proponent:</b>	Internal		
<b>Responsible Officer:</b>	Vicki Gregg, Finance Manager		
<b>Responsible Manager:</b>	Peter Keane, Chief Executive Officer		
<b>Executive:</b>	Peter Keane, Chief Executive Officer		
<b>Authority / Discretion:</b>	Advocacy	<input checked="" type="checkbox"/>	Review <input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial <input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes <input type="checkbox"/>
<b>Attachment(s):</b>	<b>Attachment 4</b> - Summary of Accounts paid for period ending 31 December 2022		

### Summary

Section 13 (2) of Government (Financial Management) Regulations 1996 require that where Local Government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund or the trust fund, a list of accounts paid by the CEO is to be prepared each month showing detail for each account paid since such list was prepared. This item is presented to Council to advice of payments made for 31 December 2022.

### Officer Recommendation

**That Council:**

Receive and accept the Summary of Accounts paid for period ending 31 December 2022 as presented to Council.

**MOVED BY:** Cr John Bromham

**SECONDED BY:** Cr Ben Andrew

**RESULT:** ~~CARRIED~~ / ~~LOST~~ 5 / 0

**RESOLUTION:** OC300123-1867

### Background

As noted in Summary.

### Voting Requirement

Simple Majority

### Officer Comment

The attachment details all payments made for 31 December 2022

### Consultation

Nil

### Financial Implications

As per the declaration within the schedule summary, the accounts have been checked and are fully supported by vouchers and invoices and which have been duly certified as to the receipt of goods and the rendition of service and as to prices, computation and costing(s). Sufficient allocations are contained within the 2022/2023 budget to cover payment of the accounts.

### Statutory Environment

Sections 12 and 13 of the Local Government (Financial Management) Regulations 1996 Apply.

### Strategic Implications

Nil

### Policy Implications

Nil

## 11.5. Auditors Report and Annual Financial Statements for the year ending 30 June 2022

Applicant / Proponent:	Internal			
Responsible Officer:	Vicki Gregg, Finance Manager			
Executive:	Peter Keane, Chief Executive Officer			
Authority / Discretion:	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input checked="" type="checkbox"/>
Attachment(s):	<b>Attachment 5</b> – Auditors Report and Annual Financial Report for the year ending 30 June 2022			

### Summary

The Auditor's Report and Annual Financial Report of the Bunbury-Harvey Regional Council for the financial year ending 30 June 2022 are attached at Attachment 2 for the information of Council.

The Auditor General Independent Auditor's Report has confirmed that the financial report is based on proper accounts and records, and fairly represents, in all material respects, the results of the operations and the financial position of the City for the year ended 30 June 2022. It has been noted in the report there is a material uncertainty related to the Going Concern of the council.

### Officer Recommendation

**The Council:**

Accepts the Auditor's Report and the Audited Annual Financial Report of the Bunbury-Harvey Regional Council for the financial year ending 30 June 2022.

MOVED BY: Cr Wendy Dickinson

SECONDED BY: Cr Ben Andrew

RESULT: CARRIED ~~LOST~~ 5 / 0

RESOLUTION: OC300123-1868

### *Voting Requirement*

Simple Majority

### *Background*

The Auditor General has audited the 2021/2022 Annual Financial Report and has provided an Independent Auditor's Report (refer pages 40 to 42 in the attached Annual Financial Report) as required under the relevant provisions of the Local Government Act 1995 (the Act). The Auditor's Report and Annual Financial Report are now presented to the Council.

Furthermore, section 7.12A(2) of the Act requires a local government to meet with its Auditor at least once in every year.

Ms Carly Meagher, Director Financial Audit, from the Office of the Auditor General WA, who represented the Auditor General, participated in a meeting via a telephone conference call and discussed the audit with the Committee to answer any queries arising from the 2021/2022 Audit.

### *Council Policy Compliance*

N/A

### *Legislative Compliance*

Section 7.9(1) of the Act requires the auditor to submit a report to the local government by 31 December each year.

Section 7.12A(2) of the Act requires a local government to meet with its Auditor at least once each year.

### *Officer Comments*

There are five (5) primary financial statements:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Statement of Cash Flows
- Rate Setting Statement

Statement of Comprehensive Income: The Statement of Comprehensive Income (Page 3 of the Financial Report) shows the extent to which operating expenditure has exceeded operating revenue during the financial year (i.e. operating deficit).

Key financial figures within the audited Annual Financial Report for the year ended 30 June 2022 include:

	<u>2022</u>	<u>2021</u>
Operating Revenue	\$5,418,121	\$ 5,692,597
Operating Expenses	(\$12,789,243)	(\$6,453,672)
Total Comprehensive Income	(\$7,371,122)	(\$785,666)

For the year ending 30 June 2022, the Total Comprehensive Income for the period increased from a deficit of \$786K to a deficit of \$7.37M an increase of \$6.58M. This is mainly due to a significant increase in Other Expenditure of \$6.52M, for the inclusion of a 'make good provision'. This provision has been included to show the legal obligation and current estimated costs to restore the sited under the licence.

Statement of Financial Position: The Statement of Financial Position (Page 4 of the Financial Report) shows the assets and liabilities which make up the Equity as at the 30 June 2022.

Key financial figures within the audited Annual Financial Report for the year ended 30 June 2022 include:

	2022	2021
Current Assets	\$2,615,806	\$3,165,234
Current Liabilities	\$7,179,955	\$933,930
Current Assets over Current Liabilities	(\$4,564,149)	\$2,231,304
Non-Current Assets	\$4,848,326	\$5,435,595
Non-Current Liabilities	\$21,158	\$32,758
Total Equity	\$263,019	\$7,634,141

Council's current liabilities exceeds current assets by \$4.56M compared to current assets exceeding current liabilities of \$2.2M in 2021/22. The total Equity as at 30 June 2022 was \$263K a decrease of \$7.37M from the 2021/22 financial year.

*Statement of Changes in Equity:* The Statement of Changes in Equity (Page 5 of the Financial Report) shows the extent to which the Equity has been decreased by the net result of the year's activities. For the year ending 30 June 2022, the Equity decreased from \$7.6M to \$263K.

*Statement of Cash Flows:* The Statement of Cash Flows (Page 6 of the Financial Report) shows the nature and amount of Council's cash inflows and out flows from all activities. Council's cash held at the end of the reporting period was \$2.26M compared to \$2.58M in 2021/2022.

*Rate Setting Statement:* The Rate Setting Statement (Page 7 of the Financial Report) shows the amount of fees and charges required to be raised to fund the Council's operations during 2021/22. In 2021/22, \$3.17M in Fees and Charges were raised, a decrease of \$1.14M or 26% on 2021/22. This was due to the licence restrictions placed on the Stanley Road site to accept any further landfill until remediation has been actioned.

The issue of Going Concern has been reported by the Auditor and included in Note 19 of the financial statements. The Bunbury-Harvey Regional Council (BHRC) is working with the member councils, which have committed to fund the BHRC going forward as provided under the Regional Council Constitution agreement.

### *Analysis of Financial and Budget Implications*

There are no financial or budget implications for Council to accept the 2022 Annual Financial Report.

### *Elected Member/Officer Consultation*

This matter is presented to the Council by the Audit Committee for consideration.

## 11.6. 2022 Audit Management Report

<b>Applicant / Proponent:</b>	Internal			
<b>Responsible Officer:</b>	Vicki Gregg, Chief Executive Officer			
<b>Responsible Manager:</b>	Peter Keane, Chief Executive Officer			
<b>Executive:</b>	Peter Keane, Chief Executive Officer			
<b>Authority / Discretion:</b>	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input checked="" type="checkbox"/>
<b>Attachment(s):</b>	<b>Attachment 6 – 2022 Audit Management Letter</b>			

### *Summary*

The purpose of this report is for the Council to receive the management letter for the year ended 30 June 2022 prepared by the Auditor General. This report stems from the 2021/22 financial audit of the Bunbury-Harvey Regional Council.

### *Officer Recommendation*

#### **The Council:**

Accepts the Management Letter from the Office of the Auditor General for the year ended 30 June 2022.

**MOVED BY:** Cr John Bromham

**SECONDED BY:** Cr Wendy Dickinson

**RESULT:** CARRIED ~~LOST~~ 5 / 0

**RESOLUTION:** OC300123-1869

### *Voting Requirement*

Simple Majority

### *Background*

Findings identified during the Year End Audit outlines any management or financial issues identified by the Auditor as part of the 2021/22 financial audit of the Bunbury-Harvey Regional Council that were not material enough to qualify the overall audit, but relevant enough to be brought to the attention of the Audit Committee and Council.

### *Council Policy Compliance*

N/A

### *Legislative Compliance*

The Report to the Audit Committee is provided by the Council's Auditor as part of the Council's annual audit report completed under section 7.9(1) of the *Local Government Act 1995*.

### *Officer Comments*

The Management Report is attached at Appendix 2 and lists the following findings during the 2021/22 audit:

1. Buildings revaluation not completed
2. General journals not independently reviewed
3. High Leave Accruals at Year End

A management comment to each of these findings is included in the Management Report.

### *Analysis of Financial and Budget Implications*

There are no financial or budget implications arising from the recommendations contained within this report.

### *Elected Member/Officer Consultation*

This matter is presented to Council by the Audit Committee for consideration.

## **12. Elected Member motions of which previous notice has been given**

## **13. Urgent business approved by the person presiding or by decision of the Council**

## **14. Confidential Business (Meeting Closed to the Public)**

This report is confidential in accordance with section 5.23(2)(d) of the Local Government Act 1995, which permits the meeting to be closed to the public.



A confidential report and recommendation have been circulated to members under a separate cover (Confidential Report CRUSC1).

<b>Applicant / Proponent:</b>	Internal			
<b>Responsible Officer:</b>	Peter Keane, Chief Executive Officer			
<b>Responsible Manager:</b>	-			
<b>Executive:</b>	Peter Keane, Chief Executive Officer			
<b>Authority / Discretion:</b>	Advocacy	<input type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input type="checkbox"/>	Information Purposes	<input type="checkbox"/>
<b>Attachment(s):</b>	<b>Attachment 5 – “Confidential Report CRUSC1”</b>			

*Officer Recommendation*

**That Council:**

Presiding Member Cr Smith declared the meeting was closed to the public at 4:24pm pm to discuss “**Confidential Report CRUSC1**”.

**MOVED BY:** Cr John Bromham **SECONDED BY:** Cr Ben Andrew

**RESULT:** CARRIED /LOST 5 / 0

**RESOLUTION:** OC300123-1870

**14.1. Mattresses Waste – Removal & Disposal –Tender RFT2022-0002**

<b>Applicant / Proponent:</b>	Internal			
<b>Responsible Officer:</b>	Christine Szostak, Safety & Environmental Compliance Officer			
<b>Responsible Manager:</b>	Peter Keane, Chief Executive Officer			
<b>Executive:</b>	Peter Keane, Chief Executive Officer			
<b>Authority / Discretion:</b>	Advocacy	<input checked="" type="checkbox"/>	Review	<input type="checkbox"/>
	Executive/Strategic	<input checked="" type="checkbox"/>	Quasi-Judicial	<input type="checkbox"/>
	Legislative	<input checked="" type="checkbox"/>	Information Purposes	<input checked="" type="checkbox"/>
<b>Attachment(s):</b>	<b>Attachment 1 – Evaluation Spreadsheet “CONFIDENTIAL” RFT2022-0001</b>			

*Officer Recommendation*

**That Council:**

Pursuant to RFT2022-0002 Mattresses Waste – Removal & Disposal –Tender RFT2022-0002 at Stanley Road Waste Management Facility, Wellesley, accept the Tender from Soft Landing Mattress Recycling as per the select tender submission, excluding contingencies and GST, subject to minor variations to be negotiated in accordance with Regulation 20 of the Local Government (Functions and General) Regulations 1996 (FG Regulations);

**MOVED BY:** Cr John Bromham **SECONDED BY:** Cr Karen Turner

**RESULT:** CARRIED /LOST 5 / 0

**RESOLUTION:** OC300123-1871

Presiding Member Cr Smith declared the meeting was opened to the public at 4:37 pm.

MOVED BY: Cr Ben Andrew

SECONDED BY: Cr Wendy Dickinson

RESULT: CARRIED /LOST 5 / 0

RESOLUTION: OC300123-1872

### 15. Next Meeting

The next meeting is scheduled for Thursday, 30 March 2023 at the Administration Complex, Lot 45 Stanley Road, Wellesley, commencing at 4:15pm.

### 16. Close of Meeting

The Presiding Member declares meeting closed at 4:39 pm.

UNCONFIRMED