

Finance and Audit Steering Committee Meeting Notes



PHCC Working Together
Peel-Harvey Catchment Council

Held at 10.00am 1 April 2019
PHCC, 58 Sutton Street, Mandurah

In Attendance:

Marilyn Gray	Treasurer (Chair)
Caroline Knight	Chairperson
Jane O'Malley	Chief Executive Officer
Karen Henderson	Manager, Finance & Payroll
Caroline Knight	Chairperson

Apologies:

Howard Mitchell Community Member

1. Confirmation of previous notes:

Moved: Caroline Knight Seconded: Marilyn Gray

That the notes of the Finance and Audit Steering Committee meeting of 3 December 2018 be confirmed as a true and correct record of that meeting.

CARRIED

(NOTE: the confirmed Minutes will be added to the suite of documents provided as Governance evidence under Core Services.

2. Business Arising from Previous Meetings :

Actions Arising from previous Meeting 4 December 2017:

No	Action	Responsible	Complete
1.	Item 6.6 [10 July 2017] – Terms of Reference Finance & Audit Committee <i>ACTION: Can now progress along with other Sub-Committee ToR now that 1.7 Sub-Committees Policy was endorsed at August General Meeting. Jane and Karen to review, and present for endorsement by Board at June Meeting.</i>	Jane Karen	In progress
2	Item 6.2 [4 December 2017] HRRT request Credit Card limit increase to \$1000 for Jane Townsend <i>ACTION: Credit Card review completed. Jane to respond to letter of request received November 2017 that HRRT request for Jane Townsend's credit card limit to be increased to \$1000.</i>	Jane	Complete

Actions arising from meeting of 17 September 2018:

No	Action	Responsible	Complete
1.	<p>Item 3.1 Future investment strategies [17 September 2018]: Karen to progress with discussions on the setting up of Term Deposit Accounts with ANZ Business Manager, Jessica Cummins, for both Corporate and Project funds, with the option of rolling over funds at the end of term and linked in accordance of delegation of authority.</p> <p>Been put on-hold until we understand in full the implications of NLP II has impacted with payments made in arrears. It was suggested that check other Banks, e.g.: ING to compare Cash Management & Term Deposit Rates. It was agreed that in the interim, \$1m of Project funds to be placed in an ANZ Term Deposit.</p> <p>ACTION: Karen to do a comparison of interest rates on offer from Banks prior to Marilyn negotiating interest rates with ANZ.</p>	Karen Karen Marilyn	In Progress
2.	<p>Item 4 Financial Report [17 September 2018]</p> <p>P&L PHCC Equity: Marilyn asked for an update on Shed Improvements. Jane has spoken to Bendigo Bank/Lotterywest with regards to Air Conditioner and IT equipment.</p> <p>ACTION: Jane to follow up with Bendigo to find out if successful or not with grant.</p> <p>It was noted that a Thank You card and photos of completed works was sent to Bendigo Bank and requested that a plaque be provided so PHCC can acknowledge the Grant. Acquittal of Grant to be completed by Karen and held on file.</p>	Jane	Complete
3.	<p>Item 6.2 PHCC 2018-19 Budget [17 September 2018]</p> <p>PHCC Support budget to be prepared initially for period up to Dec 2018 and then modify to June 2019 once RLP budgets have been confirmed.</p>	Jane & Karen	In Progress
4.	<p>Item 6.3 [17 September 2018]</p> <p>New MYOB file be purchased and set up new Chart of Accounts in accordance with Australian Accounting Standards.</p> <p>ACTION: Karen to keep developing the new structure and seek assistance where necessary.</p>	Karen	In Progress

Actions Arising from this Meeting 3 December 2018

No	Action	Responsible	Complete
1.	<p>Item 6.1 [3 December 2018] Bank Signatories</p> <p>ACTION:</p>	Marilyn	ANZ Complete

	<ol style="list-style-type: none"> Board to endorse Chair, Caroline Knight, to be added to all ANZ and Westpac Signatory Register. Karen to arrange paperwork with ANZ and Westpac to add Caroline Knight to the Signatory Register. 	Karen	Westpac In Progress
2.	<p>Item 6.2 [3 December 2018] Credit Card Review</p> <p>ACTION:</p> <ol style="list-style-type: none"> Board to increase the ANZ Credit Card facility limit on Account No 4564-8070-0047-3072 from \$10,000 to \$15,000 as per recommendation by F&A Committee. Update Chair details on the ANZ Credit Card by adding Caroline Knight and removing Andrew Gulliver. Karen to prepare additional cardholder, removal of cardholder and change of monthly credit card limits as per F&A Committee endorsement. 	<p>Marilyn</p> <p>Karen</p> <p>Karen</p>	Complete

3. Reinvestment of Term Deposit:

Figure 1 –Term Deposit’s made by PHCC since December 2011 – Westpac [Corporate Funds]

Amount	Lodgement Date			Maturity Date			Rate	Term	Interest	
\$375,000.00	19	December	2011	19	June	2012	5.75	6	\$10,810.79	
\$385,810.79	19	June	2012	19	Nov	2012	5.05	5	\$8,167.03	
\$393,977.82	19	Nov	2012	19	April	2013	4.44	5	\$7,236.37	
\$ 401,214.49	19	April	2013	19	Oct	2013	4.25	6	\$8,549.17	
\$409,763.66	19	Oct	2013	27	Nov	2013	2.5	*	\$1,094.57	
\$410,858.23	27	Nov	2013	27	June	2014	3.6	7	\$8,590.88	
\$419,449.11	27	June	2014	27	Jan	2015	2.5	*	\$54.59	
\$419,503.70	27	June	2014	27	Dec	2014	3.6	6	\$7610.83	
\$427,111.53	31	December	2014	30	June	2015	3.55	6	\$7518.97	
-	30	June	2015	Additional PHCC corporate fund						\$150,000.00
\$584,633.50	30	June	2015	30	Dec	2015	3.050	6	\$8,940.09	
\$593,573.59	30	December	2015	7	Jan	2016	3.0	*	\$108.92	
\$593,682.51	7	January	2016	7	June	2016	3.0	5	\$7,416.97	
\$601,099.48	7	June	2016	7	June	2017	2.7	12	\$16,229.69	
\$617,329.17	7	June	2017	7	June	2018	2.55	12	\$15,741.89	
\$633,071.06	7	June	2018	12	June	2018	2.55	*	\$71.88	
\$633,142.94	12	June	2018	12	June	2019	2.67	12		

ACTION:

Term Deposit is due for renewal 12th June 2019. F&A Committee recommend that the Investment plus interest to be rolled over with Marilyn to liaise with Westpac Business Manager the week of renewal. Length of term to be determined by best rates available on renewal.

Figure 2 –Term Deposit’s made by PHCC since December 2016 – ANZ [Project Funds]

Amount	Lodgement Date			Maturity Date			Rate	Term	Interest
\$1,000,000.00	15	December	2016	15	June	2017	2.5	6	\$12,465.75
\$1,500,000.00	18	October	2017	18	May	2018	2.35	7	\$20,473.97

4. Finance Manager Report

4.1 Three State NRM Project Acquittal audits completed and submitted with final reporting to State NRM end of February. State NRM has requested further clarification with the Hotham-Williams Capacity Grant due to Shire of Cuballing providing additional funding to the project. They also require further breakdown of expenditure. Karen reported that State Government projects do not want to show other sources of funding on financial reports.

Recommendation:

Finance & Audit prefer that audits show the leveraged \$ as one project secured to highlight the true cost of a project rather than just the funders money only.

4.2 RLP Projects: Q3 Project Invoices have been prepared and will be submitted to Dept. of Environment & Energy for payment on 3rd April. Payment 4 Core Services Invoice \$82,426 was sent on 6th March and still waiting payment. In Summary, as at 31 March 2019:

NLP 11 Income Tracking F2018/2019	\$
Total Income Invoiced @ 31 st March 2019	\$1,650,559.13
Budget for 2018/19	\$2,435,811.00
Balance to Invoice @ 30th June 2019	\$785,291.87

Note: Budget includes \$3 x \$9500 Phase 2 Project Design fee. At 31/03/19, 2 Project Designs have been invoiced (Banksia Woodlands & Numbat Neighbourhood).

4.3 ACNC: The Annul Information Statement submitted February 2019. Responsible Persons listing will be updated to add/delete members as necessary and change of Roles within the Organisation.

4.4 Newmont Boddington Gold: 2018/2019 contribution for \$100,000 has been invoiced and pending payment. If not received by mid-April, Karen to follow up with Newmont.

4.5 Local Government Projects: 2018/2019 Funding from Shires of Boddington (\$25k), Williams (\$5k), Cuballing (\$5k) & Wandering (\$2.5k) have been invoiced and received.

- 4.6 Land for Wildlife: 2018/2019 contribution from Shire of Waroona (\$2.5k) invoiced and received. \$50k contribution from City Of Mandurah is due 1 June 2019.
- 4.7 Grant Bendigo Bank: Received \$3,000 grant from Bendigo Bank for upgrading the Kitchen area in the Shed.
- 4.8 Wage Subsidy Administration Position: \$10,000 inc. GST secured for the Admin role. 1st payment of \$5000 received.
- 4.9 Whole of Project Life (WoPL) Spreadsheet: Karen has working alongside Thelma Crook and Volunteer Bart Katarski to develop a new Whole of Project Life spreadsheet template for the NLP II projects and will become the Budget tool for all projects in the future.
- 4.10 Single Touch Payroll: City of Mandurah rolled out the Single Touch Payroll system in February 2019. Payroll Reporting to ATO is lodged fortnightly. Marilyn organized for the CoM to have an AusKey installed on their Server to carry out this function. Payment Summaries will become redundant at 30th June.
- 4.11 New MYOB file: This is continuing to be developed and with the rollout of the NLP II projects becoming clearer, Job codes have now been developed. I am seeking from the Committee that the introduction of the new file be delayed until 1 July 2019. This will allow the F18-19 financial data to be aligned to the new Chart of Accounts for Analytical Comparison rather than comparing previous financial year data irrelevant to current finance structures. If approved, the request for F18-19 Organisation audit can be based on existing MYOB file.
- 4.12 Administration Officer, Allison Owens, has commenced working in Finance 1 day per week to assist Karen as part of her role.
- 4.13 Equity: As at 28 February 2019:

Balance Sheet @ 28 February 2019	\$
Assets	5,112,325.20
Liabilities	\$4,096,782.27
Equity	\$1,015,542.93
Current Earnings	-\$73,966.80

Recommendations arising from Finance Manager Report:

Moved: Marilyn Gray Seconded: Caroline Knight

- 1. That PHCC Delegated Authority be amended to reflect that the City of Mandurah has been provided with a Device Digital Certificate (AusKey) to install on their Server to enable them to lodge fortnightly payroll data to the ATO on PHCCs behalf as part of the new Single Touch Payroll system requirement.**
- 2. That the new MYOB file changeover date to be delayed until 1 July 2019.**

CARRIED

5. Signing off on Bank Statements

November – February 2019 Bank Statements have been sighted and signed off by Treasurer. Reports were made available to Members on Members Finance & Audit Webpage.

6. Other Business

6.1 Changes to Superannuation

Effective 31 December 2018, Annual Leave Loading is now considered Ordinary Time Earnings (OTE) and superannuation payable. Salary Models to be adjusted to reflect the additional Superannuation pa.

6.2 F18-19 Audit

The Organisation Audit for period ending 30th June has been tentatively set for August 1st and 2nd to work in Karen's pending Annual Leave in September. A quote to be obtained for conducting the audit based on the existing MYOB setup be arranged and approved out-of-session.

6.3 Peel CCI Business After Hours – 28th March

Marilyn thanked Karen for the financial data provided for the Business After Hours presentation. The event was very worthwhile and provided PHCC the platform to showcase the financial contribution they provide back to businesses, landholders, schools and organisations in the Peel Region. Marilyn to give a presentation at the April General Meeting to Board Members and a separate snapshot to be included in the Board Induction package.

7. Next Meeting:

Monday 22nd July 2019, 10am at PHCC Office.

Actions Arising from previous Meetings

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1.	Item 6.6 [10 July 2017] – Terms of Reference Finance & Audit Committee <i>ACTION: Can now progress along with other Sub-Committee ToR now that 1.7 Sub-Committees Policy was endorsed at August General Meeting. Jane and Karen to review, and present for endorsement by Board at June Meeting.</i>	Jane Karen	In progress
2.	Item 3.1 Future investment strategies [17 September 2018]: Karen to progress with discussions on the setting up of Term Deposit Accounts with ANZ Business Manager, Jessica Cummins, for both Corporate and Project funds, with the option of rolling over funds at the end of term and linked in accordance of delegation of authority. Been put on-hold until we understand in full the implications of NLPII has impacted with payments made in arrears. It was suggested that check other Banks, e.g.: ING to compare Cash Management & Term Deposit Rates. It was agreed that in the interim, \$1m of Project funds to be placed in an ANZ Term Deposit.	Karen Karen Marilyn	In Progress

	<i>ACTION: Karen to do a comparison of interest rates on offer from Banks prior to Marilyn negotiating interest rates with ANZ.</i>		
3.	Item 6.2 PHCC 2018-19 Budget [17 September 2018] PHCC Support budget to be prepared initially for period up to Dec 2018 and then modify to June 2019 once RLP budgets have been confirmed.	Jane & Karen	In Progress
4.	Item 6.3 [17 September 2018] New MYOB file be purchased and set up new Chart of Accounts in accordance with Australian Accounting Standards. <i>ACTION: Karen to keep developing the new structure and seek assistance where necessary.</i>	Karen	In Progress
5.	Item 6.1 [3 December 2018] Bank Signatories <i>ACTION:</i> <i>1. Board to endorse Chair, Caroline Knight to be added to Westpac Signatory Register.</i> <i>2. Karen to arrange paperwork with ANZ and Westpac to add Caroline Knight to the Signatory Register.</i>	Marilyn Karen	Westpac In Progress
6.	Item 3.1 [1 April 2019] Term Deposit <i>ACTION:</i> <i>Marilyn to liaise with Westpac Business Manager the week of renewal. Length of term to be determined by best rates available on renewal.</i>	Marilyn	
7.	Item 4.10 [1 April 2019] Finance Report – Single Touch Payroll <i>ACTION:</i> <i>Delegated Authority to be updated to list City of Mandurah as an approved PHCC AusKey authority with ATO for payroll use.</i>	Jane	
8.	Item 6.2 [1 April 2019] Organisation Audit <i>ACTION: Karen to obtain quote from AMD Chartered Accountants to conduct the F18-19 Organisation Audit.</i>	Karen	
9.	Item 6.3 [1 st April 2019] Peel CCI Business After Hours <i>ACTION:</i> <i>1. Marilyn to present snapshot of presentation to the Board Members at the April Meeting.</i> <i>2. Jane to include snapshot with the Board Induction package.</i>	Marilyn Jane	