

PEEL-HARVEY CATCHMENT COUNCIL

Finance and Audit Steering Committee Meeting Meeting Notes



Held at 10.00am 3 December 2018

PHCC Office, 58 Sutton Street, Mandurah

In Attendance:

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

Apologies:

1. Confirmation of previous notes:

Moved: Marilyn Gray

Seconded: Jane O'Malley

That the notes of previous meeting be confirmed as a true and correct record of the Finance and Audit Steering Committee meeting of 17 September 2018.

2. Business Arising from Previous Meetings :

No	Action	Resp	Complete
1.	<p>Item 6.6 [10 July 2017] – Terms of Reference Finance & Audit Committee</p> <p><i>Jane and Karen to make the necessary changes to the Terms of Reference for the F&A Committee and once they are happy with them, Jane to take to the Executive Group for their comment prior to presentation to the PHCC.</i></p> <p><i>4.12.17 – The ToR were withdrawn from August General Meeting as it required further review. The related "Committee Policy" was endorsed at October's General Meeting so ToR ready for endorsement at December meeting.</i></p> <p><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 table at next F&A meeting ready for endorsement by Board at December Meeting.</i></p>	Jane Karen	In progress
2.	<p>Item 2.4 [4 December 2017] Payroll Cashflow</p> <p>1. Karen to provide F&A with review of the Asset Replacement process, and show where costs are being captured, for the next meeting.</p>	Karen	COMPLETE

	<p>Jane Townsend has had discussion with Karen if a separate Bank Account could be set up for HRRT under the PHCC structure.</p> <ol style="list-style-type: none"> 1. Karen to work out real cost of support provided to HRRT. 2. Delegated authority given to Jane to work out most appropriate employment process should Kim work an extra day. 3. Bank account set up is feasible and can be managed with the same authority as current structure. HRRT to make a formal request before proceeding. Karen to advise Jane Townsend. <p><i>Karen provided the Committee with the financial report that she provided HRRT at their 4 November meeting which shows that they have minimal reserves whilst waiting on notification from State NRM advising if they were successful with grant funding application. Jane advised that HRRT had been awarded a grant through the Peel Estuaries project of \$150,000 over 3 years with \$50k allocated to Salary. At this stage, PHCC needs to support HRRT during uncertainty. Further discussions put on hold.</i></p>	<p>Karen Jane Karen</p>	
--	---	--------------------------------------	--

Actions arising from meeting of 17 September 2018:

No	Action	Resp	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><i>Waiting on confirmation if Bank signatories will change due to new Chairperson elected at AGM before setting up new accounts. Letter has been sent to Jessica Cummins, ANZ Bank Mandurah to inform her that the Board has endorsed Finance Manager, Karen Henderson, to represent the PHCC on the following matters:</i></p> <ol style="list-style-type: none"> 1. <i>Conduct all administrative business with the local branch on behalf of the PHCC, and</i> 2. <i>By delegated written authority of the CEO and Treasurer as required, to provide instructions to the ANZ Bank regarding decisions on the termination or roll-over of "Standard and Advanced Term Deposits".</i> 	Karen	In Progress
2.	<p>Item 4 Financial Report [17 September 2018]</p> <ol style="list-style-type: none"> 1. Project Interest: \$85,597.61 be transferred to Project 7870 Future Partnership Projects with a new line-item "Project & Partnership Support" to enable the Organisation to have provisions set aside to be used as a cash-flow mechanism to fund any shortfalls whilst delivering RLP Projects. A balance of \$5000 to be retained in Project Interest. 2. 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><i>Funding application of \$18,294 was sent to Bendigo Bank on 30th October for Air-conditioning [\$8,756], Water,sink &</i></p>	<p>Karen Jane</p>	<p>COMPLETE In Progress</p>

	<p>cabinet [\$2,700], Projector and audio [\$5,153] and 3 fans [\$1,685]. No response has been received to date.</p> <p>3. Review of PHCC Equity: Necessary EOY transfers to be completed.</p> <p>4. Review of Future Partnership funds: Additional new code "Project and Partnership Support" to be added.</p>	Karen	COMPLETE
		Karen	COMPLETE
3.	<p>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.</p> <p><i>Karen reported that this timeframe has been achieved due to transitioning to the new MYOB as the budget no longer is for PHCC Support only, rather the whole organisation. Marilyn noted that she is comfortable that the spending we have committed to date is similar to past years and with our past history, there is no real concern not having budget.</i></p>	Jane & Karen	In Progress
4.	<p>Item 6.3 [17 September 2018] New MYOB file be purchased and set up new Chart of Accounts in accordance with Australian Accounting Standards. Not required to purchase new MYOB datafile. Once the new MYOB file is up and running, the existing data file will be removed from the Cloud and the new one added in its place.</p>	Karen	In Progress
5.	<p>Item 6.4 [17 September 2018] Set dates for 2019 F&A Meetings out of session 1st April, 22nd July and 2nd December 2019. Dates have been put in everyone's Calendar for 2019.</p>	Karen	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	

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
\$1,500,00.00	18	October	2017	18	May	2018	2.35	7	\$20,473.97

4. Financial Report

Karen gave a presentation of new the MYOB file that she is developing so that the organisation can transition to the National Standard Chart of Accounts and gave a demo of how the data is distributed once entered into MYOB and provided a brief report of what has occurred since last meeting. Marilyn noted that most probably the October 2018 Financial Statement will be presented to the Board at the December Meeting due to the meeting date brought forward a week allowing very little time to complete the end of month reporting.

(Please see attachment below for full report)

5. Signing off on Bank Statements

September and October 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 Signatories to PHCC Bank Accounts

The Committee recommends that as Chair of PHCC, Caroline Knight is to be added to the Bank Signatory for all Bank Accounts. It was recommended that the 4 existing signatories to remain, being Jan Star, Deputy Chair; Marilyn Gray, Treasurer; Michael Schultz, Community Member and Andrew Gulliver, Community Member. It was agreed that Caroline would only need to be listed as an Online Banking authoriser if needed.

Marilyn is to remain Primary signatory for Online Banking and Jan to be asked if she wishes to continue having an active role in the bank authorisation process prior to Marilyn discussing bank authorisation delegations with Mike and Andy.

ACTION: Karen to arrange paperwork with ANZ and Westpac to add Caroline Knight to the Signatory Register.

6.2 Credit Card Review

Jane and Karen conducted a comprehensive review of the ANZ credit card facility, Account No 4564-8070-0047-3072 and cardholder listing to see if changes were required to the current Credit Card Register. Program Managers were asked to provide feedback to ascertain which staff

required the use of a credit card and monthly limit to be applied [document attached]. Caroline requested that Staff Position be included in the Register.

Moved: Caroline Knight

Seconded: Howard Mitchell

That the following recommendations be endorsed:

- 1. Increase the ANZ Credit Card facility limit on Account No 4564-8070-0047-3072 from \$10,000 to \$15,000.***
- 2. Update Chair details on the ANZ Credit Card by adding Caroline Knight and removing Andrew Gulliver.***
- 3. Cancel credit cards held with Kim Wilson and Thelma Crook;***
- 4. Increase Melanie Durack's monthly credit card limit from \$1000 to \$2,000;***
- 5. Increase Jane Townsend's monthly credit card limit from \$500 to \$1,000;***
- 6. Add the following staff as cardholders with the approved monthly spending cap:***
 - Administration Officer [TBC] \$1,000 when advised by CEO***
 - Andrew Del Marco - \$1,000***
 - Jesse Rowley - \$1,000***
 - Rick James - \$1,000***
 - Sharon Meredith - \$1,000***
 - Steve Fisher - \$2,000***
 - Vacant, HW Officer - \$1,000 when advised by CEO***

ACTION:

- 1. Board to endorse increase credit card facility limit to \$15,000.***
- 2. Karen to prepare additional cardholder, removal of cardholder and change of monthly credit card limits as per F&A Committee endorsement.***

6.3 NLP 4 Year Project update

Jane reported that the Australian Government had announced the Regional Landcare Partnership Investment details last Friday and proudly advised that PHCC secured the 2nd highest funds in WA and ranked 5th across Australia with an investment of four 60 month projects worth \$12,033,145. An incredible achievement for the Peel Region!

6.4 Administration Officer

After a review of the staff structure, we have recruited Allison Owens through Status Works Pty Ltd on a part-time arrangement of 30hrs per week to assist the Corporate Services team and hours will be reviewed in the New Year as Jesse Rowley moves away from her 1 day/week Finance role to full-time under the Healthy Waterways team. Potentially, PHCC may be eligible for a wage subsidy should we meet the criteria.

Next Meeting:

Monday 1 April 2019.

Actions Arising from previous Meeting 4 December 2017

No	Action	Resp	Complete
1.	Item 6.6 [10 July 2017] – Terms of Reference Finance & Audit Committee 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 table at next F&A meeting ready for endorsement by Board at February Meeting.	Jane Karen	In progress
2	Item 6.2[4 December 2017] HRRT request Credit Card limit increase to \$1000 for Jane Townsend ACTION: Credit Card review completed. Jane to respond to letter of request received November 2017.	Jane	In Progress

Actions arising from meeting of 17 September 2018:

No	Action	Resp	Complete
1.	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. ACTION: Waiting for bank signatories to be authorised at General Meeting before proceeding.	Karen	In Progress
2.	Item 4 Financial Report [17 September 2018] 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. ACTION: Jane to follow up with Bendigo to find out if successful or not with grant.	Jane	In progress
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. ACTION: Jane and Karen to prepare Organisation Budget once new Chart of Accounts set up.	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. ACTION: Karen to keep developing the new structure and seek assistance where necessary.	Karen	In Progress

Actions Arising from this Meeting 3 December 2018

No	Action	Resp	Complete
1.	<p>Item 6.1 [3 December 2018] Bank Signatories</p> <p>ACTION:</p> <ol style="list-style-type: none"> 1. <i>Board to endorse Chair, Caroline Knight to be added to all ANZ and Westpac Signatory Register.</i> 2. <i>Karen to arrange paperwork with ANZ and Westpac to add Caroline Knight to the Signatory Register.</i> 	<p>Marilyn</p> <p>Karen</p>	
2.	<p>Item 6.2 [3 December 2018] Credit Card Review</p> <p>ACTION:</p> <ol style="list-style-type: none"> 1. <i>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.</i> 2. <i>Update Chair details on the ANZ Credit Card by adding Caroline Knight and removing Andrew Gulliver.</i> 3. <i>Karen to prepare additional cardholder, removal of cardholder and change of monthly credit card limits as per F&A Committee endorsement.</i> 	<p>Marilyn</p> <p>Karen</p> <p>Karen</p>	

Peel-Harvey Catchment Council Inc.
Finance & Audit Meeting – 3 December 2018
Finance Report

1. 3 Project Acquittal audits have been booked in with AMD Chartered Accountants for 1st week in January at a cost of:
 - 7300 Building Community NRM Capacity in the Hotham Williams [CCGL15489] \$520 + GST
 - 7500 Waroona NRM & Fire Recovery Support [CCGL15401] \$550 + GST
 - 7890 Saving the Marron in Harvey River [CCGL15488] \$500 + GST

2. **RLP Projects** invoiced to Dept of Environment & Energy for period 1 September to 30 November 2018:
 - Core Services Pmt 1 \$82,425.00 Payment received
 - Core Services Pmt 2 \$82,425.00 Payment received
 - Numbat Neighbourhood Q1 \$45,524.75 Payment received
 - Greening Farms Q1 \$30,702.00 Outstanding and followed up
 - Numbat Neighbourhood Phase 2 \$9,500.00
 - Greening Farms Phase 2 \$9,500.00
 - Banksia Woodlands Phase 2 \$9,500.00

Please note that we were unable to invoice Q1 for Banksia Woodlands and Ramsar Projects as Work Orders hadn't been finalized.

3. **ACNC:** The Draft Annual Information Statement will be presented to the Board at the December General Meeting for endorsement prior to submitting to the ACNC before 31st December 2018. Once submitted, the Responsible Persons listing will be updated to add/delete members as necessary and change of Roles within the Organisation.

4. **Associations Online:** The Annual Information Statement has been submitted electronically through the Associations Online Portal.

5. **PHCC Merchandise:** We had our first sale of merchandise made via the Website recently and funds sit in Paypal account (\$4.64 after fees deducted). I am liaising with Rishad at Paypal to have the proceeds transferred to PHCC Bank Account.

6. **South32 Tunbridge Gully:** Stage 3&4 of the Tunbridge Gully project was approved in October for the amount of \$78,141 to be received in 3 equal instalments of \$26,047 over 3 financial years. 1st payment was received 22nd October.

7. **BAS:** The September BAS GST liability was a refund of \$21,131. Marilyn transferred this credit plus \$1.01 [from PAYG] sitting in the ATO Integrated Client Account to ANZ Cheque Account 4942-31182.

8. **New MYOB file:** The MYOB file restructure has commenced and is a mammoth task but a good challenge!

- No cost to add an additional MYOB file. Once the new file is operational, the existing file will be removed from the Cloud back to Desktop and then the new file uploaded to the Cloud realizing a potential savings of \$420.
- The new MYOB file has a starting date of 30th June 2018 and Account Opening balances as at 1 July 2018.
- Account Code set up is at Draft stage.
- Cost Centre [Jobcode] is in progress and the numbering system of Cost Centre codes is being aligned to the Filing system.
- Program/Project Managers will need to provide Finance Manager Budgets for Project Life when setting up Cost Centres so that cashflow can be captured.
- F17-18 financial data will need to be aligned to the new Chart of Accounts so that an Analytical Comparison report can be produced as at 30 June 2019.

9. Cash on Hand at 31 October 2018:

ANZ 4942-31182 Project Chq	\$93,187.16
ANZ – 527285292 Corp Online	\$493,153.56
ANZ - 527285559 Proj Online	\$3,656,638.39
ANZ – 463783443Transaction	\$10.90
Westpac Term Deposit	\$633,142.94
Petty Cash	\$272.00
PHCC Merchandise	\$150.00
ANZ Visa Card	-3,505.95
Paypal Account	\$4.64
Total Cash on Hand 31 October 2018	\$4,873,053.64

Karen Henderson

Manager Finance and Payroll