

AGENDA

Finance and Audit Steering Committee Meeting

To be held at 10.00am Monday 26 July 2021

PHCC Office, 58 Sutton Street, Mandurah



In Attendance:

Marilyn Gray	Treasurer (Chair)
Caroline Knight	PHCC Chairperson
David Prattent	Community Member
Howard Mitchell	Community Member
Jane O'Malley	Chief Executive Officer
Karen Henderson	Chief Finance Officer (Minute Taker)

Apologies:

1. Declarations of Interest

Nil

2. Confirmation of previous notes

Moved: Seconded:

That the notes of meeting held on 15 March 2021 be confirmed as a true and correct record of that Finance and Audit Steering Committee meeting.

3. Business Arising from Previous Meetings

Refer to update of Actions table at the back of the Minutes – as read, or to discuss at the end of the meeting, time permitting.

4. Reinvestment of Term Deposit

Refer:

4.1 Attachment 1 for history of Term Deposit's made by PHCC since December 2011

4.2 Term Deposit's made by PHCC since December 2016 – ANZ [Project Funds]

- Westpac Term Deposit Matured on 12 April with interest return of \$5,532.45. \$669,790.18 reinvested for a further 12 months at a rate of 0.27% to mature on 12 April 2022.
- ANZ Term Deposit: Combination of Project and Corporate funds - \$1,523,896.38 matured on 17 July earning \$13,410.28 for the 12 month period. Negotiations with ANZ to reinvest Principle + interest (\$1,537,306.66) with a further \$100,000 corporate funds to be added – best rate offered 0.20%. Marilyn has reviewed other TD rates that other Banks are currently offering and

made contact with Bendigo Bank to negotiate a possible 0.4% for 12 months. A counter-offer with ANZ was unsuccessful so Marilyn instructed ANZ to close Term Deposit Account 9108-29176 on 22nd July and funds transferred back into Account 016-745 4943-81132 to allow further options to be considered. A further \$42.13 interest earned in the 5 day period resulting in \$1,537,348.79 being deposited. Break down of funds is below:

Corporate funds - \$ 508,963.87

Project funds - \$1,028,384.91

Total deposited - \$1,537,348.79

5. General Business **Requiring Decisions**

5.1. Investment of Project and Corporate funds

Marilyn to update on investment opportunities with Bendigo Bank.

5.2. Credit Card Facility

- Cancellation of Credit Card – Johanne Garvey due to resignation on 9th July 2021.

6. General Business **For Discussion**

6.1 Petty Cash Boddington Office

Karen reported that the Melanie Durack, Operations Manager, Land Conservation & Agriculture, who is located in Boddington requested that a Petty Cash of \$300 to be set up for the Boddington Office to allow the Administration Officer flexibility to purchase small purchases required rather than the need for a Credit Card to be used. CEO approved this to be implemented with approval from Chair of F&A Committee. Petty Cash commenced on 1 May 2021 with Nicole Ramsay, Administration Office, as Custodian of funds. Karen provided Nicole with Training and procedures of how to manage Petty Cash purchases and recording of receipts.

6.2 Staff Entitlements Leave LSL reporting

Entitlement report as at 30th June 2021 received from CoM Payroll and reconciled against PHCC records and liabilities to be recorded on June Balance Sheet. Karen has needed to set up own LSL calculation spreadsheet to record annual entitlements accrued as 30 June due to the report being generated by CoM only showing totals for Staff who have been granted 10 years of Long Service . Karen has spoken to Jacqui and was told that is how the new Payroll system has been set up based on PHCCs conditions. To allow the Report to be expanded, PHCC will need to authorise CoM Payroll to set the date at 7 years where Pro-rata LSL is granted. This will increase the range of staff entitlements but not all.

Recommendation:

CEO to advise City of Mandurah Payroll to set the parameter of LSL entitlement at the completion of 7 years of service.

7. Statutory Requirements – for Noting

7.1. Signing off on Bank Statements

February 2021 – June 2021 have been sighted and signed by Treasurer and are saved on the F&A Members page for review

7.2. ATO – PAYG reporting for months of March to May 2021 have been lodged by Karen with the ATO, noting that June reporting will be completed on lodgement of June BAS. City of Mandurah have paid all PAYG liabilities up to 30 June 2021

7.3. Superannuation – Superannuation Guarantee and Salary Sacrifice contributions for the period 1 March to 30 June 2021 have been submitted and all liabilities as at 30 June 2021 paid by the City of Mandurah.

7.4. Payment Summaries – Payroll reporting for the period ending 30 June 2021 finalised by CoM on 23 June and staff advised that Payment Summaries were ready to download from the myGov portal.

7.5. Payroll –Quarterly Tax Invoice: Received from CoM for Salary and Superannuation employment costs for payroll ending 25 June 2021. Reports reconciled against PHCC records and paid for on 21 July 2021.

8. Chief Finance Officer Report -Summary of Transactions for the period 15 March to 23 July

Tax Invoices Issued		\$	Comment
1	March – June 2021:	2,052,119.58	33 Tax Invoices issued
2	July 2021 Inv 873 Shire of Murray	5,500.00	7870: F2021-22 annual contribution towards Massacre Site, Pinjarra
3	Inv 875: The Nature Conservancy	1,306.25	1000: Quarterly Room Hire 1 Jul – 30 Sep 2021 as per MOU
4	Inv 876: The University of WA - WABSI	16,500.00	0712: WAF CWG 3 Year Co-contribution to Project
5	Inv 877: Perth NRM	1,100.00	0712: WAF CWG: Year 2 Co-contribution to Project
6	Inv 878: Rangelands NRM WA	1,100.00	0712: WAF CWG: Year 2 Co-contribution to Project
7	Inv 879: NACC Inc	1,100.00	0712: WAF CWG: Year 2 Co-contribution to Project
8	Inv 880: South Coast NRM Inc	1,100.00	0712: WAF CWG: Year 2 Co-contribution to Project
9	Inv 881: Wheatbelt NRM Inc	1,100.00	0712: WAF CWG: Year 2 Co-contribution to Project
Total for period 1 March – 23 July 2021		\$2,080,925.83	
Income Received		\$	Comment
1	March – June 2021:	\$1,576,996.12	Funds received across all streams of income for period 1 March to 30 June 2021
2	1 July – Inv 866: DPIRD State NRM	\$27,815.70	7930: HRRT State NRM CSGL19074 Final Pmt
3	Inv 867: DoAWE	\$250,914.30	9830: Ramssar Wetlands – F20-21 Q4 Pmt
4	Inv 868: DoAWE	\$171,534.00	9840: Banksia Woodlands – F20-21 Q4 Pmt
5	Inv 877: Perth NRM	1,100.00	0712: WAF CWG: Year 2 Co-contribution to Project
6	Inv 871: DoAWE	\$34,540.00	9865: Black Cockatoos – F20-21 Q4 Pmt
7	Inv873: DoAWE	\$90,644.40	9800: Core Services – F20-21 Pmt 6
8	Inv 881: Wheatbelt NRM Inc	1,100.00	0712: WAF CWG: Year 2 Co-contribution to Project
9	Inv 869: DoAWE	\$176,983.13	9850: Numbat Neighbourhood – F20-21 Q4 Pmt
10	Inv 880: South Coast NRM Inc	1,100.00	0712: WAF CWG: Year 2 Co-contribution to Project
11	Inv 875: The Nature Conservancy	1,306.25	1000: Quarterly Room Hire 1 Jul – 30 Sep 2021 as per MOU

18	ANZ Bank Interest	13,452.41	ANZ Term Deposit Account 9108-29176 on Maturity and closure of Account – 22/07/2021
	Total	\$2,334,033.90	
	Expenditure	\$	Comment
1	No of Payment Runs – 16	\$2,846,306.94	Batch 21 – 37
2	Visa Card expenditure	\$17,186.76	March - June 2021
3	Petty Cash	\$1,102.00	March - June 2021
4	Cheques – Petty Cash	\$1,314.05	Petty Cash Recoup 001998 - 002002
	Total	\$2,865,909.75	
	New Projects/Agreements	\$	Comment
1	0712 WA Feral Cat Working Group	\$224,727.00	CSGL120078 – 12/4/2021 – 30/04/2024 plus \$43,5000 co-contribution funding
2	0305 South32: Hotham Williams Warlang Boodja	\$625,000.00	South32 Partnership April 2021 to 30 June 2025
	Closed Projects/Agreements	\$	Comment
1	9500 FTE Science Advisor		
2	9700 Peel Estuary Grant - Fishrec		
3	7995 HRRT Peel Estuary Grant		
4	5200: REI Peel Main Drain		
	Employment		
1	Payroll Reimbursement	\$209,155.04	Salary & Superannuation – Mar 2021
2	Payroll Reimbursement	\$133,887.53	Salary & Superannuation – Apr 2021
3	Payroll Reimbursement	\$137,084.47	Salary & Superannuation – May 2021
4	Payroll Reimbursement	\$139,122.26	Salary & Superannuation – Jun 2021
	Total	\$619,249.30	

Balance of Bank Accounts as at 30/06/ 2021:

	Bank Account Type	Account Number	\$
1	ANZ Commercial Credit Card	4564 80xx xxxx 3072	-\$4,822.65
2	ANZ Transaction Account	016 745 4638 83443	\$1.00
3	ANZ Project Cheque Account	016 745 4942 31182	\$148,632.71
4	ANZ Corporate Online Saver	016 745 5272 85292	\$211,565.05
5	ANZ Project Online Saver	016 745 5272 85559	\$3,701,175.52
6	ANZ Business Term Deposit	016 746 910829176	\$1,523,896.38
7	Westpac Term Deposit	036 134 239580	\$669,790.18
	Total		\$6,250,238.19

9. Snapshot from the CFO

9.1. General

- **Project Finance Support:** With the resignation of 3 Project Officers and Office Manager, this Quarter a seen a greater focus on providing finance/budget support to Operation Managers, Project Managers and new staff to ensure that all expenditure committed to RLP and other Project budgets have been met at 30th June.

- **PHCC Support and Employment budgets** In the interim period of April – June, I took on the role of approval delegation for these budgets whilst new Corporate Services & Executive Manager, Deb Chard, transitioned into her new role. Deb has now taken on this responsibility of at 1 July.
- **EOY Reporting:** Has commenced and will be the main focus up until Audit date 30th August. The Audit Checklist has been provided and the Finance Team will be guided by the Checklist for providing information required to conduct the Organisation Audit. The list is comprehensive but not overwhelming.
- **ACNC:** The Responsible Persons list has been updated to reflect changes to the Board at 30th June 2021.
- **Project templates:** Continue to set up new WoPLs for new projects and all Year 4 RLP Project WoPLs have been prepared for Project Officers.
- **Project Reporting:** Assist Project Managers with Project Reporting and prepare annual/end of project audits as required.

9.2. Training

- Board Provided Finance Induction to new Member Cr Rob Harris
- Staff – Provided Finance Induction to new staff members Deb Chard, Judy Dunlop, Karen Bettink & Mick Davis and Return to Work training to Kim Wilson for Project Budget management

9.3. Projects

- RLP Projects: Q4 Invoicing - 5 Invoices sent to Aust Govt on 30 June 2021. All funding, except Greening Farms (Statutory declaration needed to be re-submitted), has been received as at 22 July.
- **9800 - Core Services** Year 3, Payment 6 Tax Invoice sent to the Aust Govt on 30 June 2021 and payment received 20 July..
- **0710 - GreenJobs** – Project completed as at 30th June 2021
- **9700 - State Election FishRec** – Project Financials completed 30th June 2021 and end-of project audit to be completed in August and final reports to be submitted to funding body by 30 September 2021.
- **9500 – State Election 1FTE** - Project Financials completed 30th June 2021 and end-of project audit to be completed in August and final reports to be submitted to funding body by 30 September 2021.
- **5200 – REI Peel Main Drain** - Project Financials completed 30th June 2021 and end-of project audit to be completed in August
- **0304 – Healing Bilya** – Year 2 funding (\$200,000 USD = \$255,199.60 AUD) received from Alcoa Foundation 9 June.
- **0305 – South32 Hotham-Williams Warlang Boodja Project** – 1st Payment \$50,000 of \$625,000 received 27th May.
- **0712 – WA Feral Cat Working Group** Year 1 State NRM funding and Co-contribution payments from Partners issued and received. June Qtr reporting completed 19th July.

- **HRRT** – Supporting Harvey River Restoration Taskforce with finance assistance; Quarterly reporting and closure of projects.

10. Other Business

10.1 F2021-22 PHCC Support & Employment Budget

Karen and Jane to provide

11. Next Meeting

The next meeting of the Finance and Audit Committee is scheduled for 22nd November 2021.

CONFIRMED (CHAIRMAN)

9.	Item 6.1.2 [30/11/2020] Cashing out of Long Service Leave ACTION: Jane to contact Perth CCI seeking advice on LSL arrangements and conditions. Karen to contact CCI are report back to committee UPDATE: Karen has spoken to Jacqui and City of Mandurah and she advised that there is not an option to “Cash out” Long Service Leave, however there is the option to take LSL at double time eg 4 weeks LSL and be paid for 8 weeks.	Karen	In progress
12.	Item 6.5 [30/11.2020] Organisation Structure and Financial Implications ACTION: Jane and Karen to cost new employment structure and report to Committee at next meeting.	Jane and Karen	
13.	6.6 [30/11/2020] DGR Status ACTION: Jane to report back to PHCC after meeting with Rangelands CEO.	Jane	In Progress

Actions arising from meeting of 15 March 2021

No	Action	Responsible	Complete
1.	Item 4. [15/03/2021] Reinvestment of Term Deposits <ol style="list-style-type: none"> The Treasurer and the Chief Finance Officer investigate reinvesting the Westpac Term Deposit - \$664,253.73 which matures on 12 April 2021. Karen to have a look at “Notice Saver” Westpac Account” to see if any real benefit to shifting this option. The Treasurer and the Chief Finance Officer investigate reinvesting the ANZ Term Deposit - \$1,523,896.38 which matures on 17th July [pending recommendation below with or without additional \$100,000 from Corporate Online Saver Account]. Treasurer to report to the Board. 	Marilyn & Karen	Complete
		Marilyn & Karen	Complete
		Marilyn	Complete
2.	Item 5.1 [15/03/2021] Investment of additional Corporate Funds <ol style="list-style-type: none"> Marilyn to discuss with ANZ Business Manager re: \$100,000 from Corporate Online Saver Account to be added to the ANZ Term Deposit Account 9108-29176 when negotiating the reinvestment when it matures on 17 July 2021. UPDATE; Put on hold due to considering other Banking options. 	Marilyn & Karen	In progress
3.	Item 5.2 [15/03/2021] Credit Card Facility Karen to arrange prepare ANZ Credit Card Facility Maintenance Form to include the following: <ul style="list-style-type: none"> Leanne Greene’s Credit Card to be cancelled The new Manager, Corporate Services and Executive Support officer be added to the Credit Card Facility with a monthly limit of \$4,000. The CEO to determine if the card to be issued in Probation period. 	Karen	In progress

	<ul style="list-style-type: none"> Melanie Durack's monthly card limit to be increased to \$4,000. 		
4.	<p>10.1 [15/03/2021] Review of Financial Reports presented to Board</p> <p>ACTION: Karen to update list of Financial Reports to provide to Board as per Committee Recommendations.</p> <p>UPDATE: Provide P&L F21-22 . Is the Summary Activity Report which used to be presented to Board be sufficient?</p>	Karen	In progress
5.	<p>10.2 IT Security – Annual Certification check with IT provider.</p> <p>ACTION: <i>Jane to arrange meeting with Lasar Computers to discuss IT Security and current contract arrangements.</i></p>	Jane	
6	<p>10.3 Internet Banking</p> <p>Action: Marilyn and Karen meet and discuss, then discuss with Auditors re; Single payment against Batch and report back to the F&A Steering Committee.</p> <ul style="list-style-type: none"> Single Payments usually generates a list of payment – list signed off, Bank Signatories authorise. Is it appropriate for Board Members to sign off? People who set up, can't be who authorise? Check Constitution – re Signatories. <p>UPDATE: <i>Marilyn and Karen met with Maria Cavallo, AMD on 22nd June via Zoom.</i></p> <p>1. Internet Banking</p> <ul style="list-style-type: none"> <i>Yes other Organisations do Single Batch Payments</i> <i>Another layer of checking is required – Bank Signatories will have to sign off on the Batch Payment as certifying that all invoices have been sighted. Currently invoices are individually authorised, by entering the the authority code, it acts as the approval of sighting invoices.</i> <i>Additional work will be required for Project Audits</i> <i>4.Changes to procedures of managing Payment numbers in mYOB will need to be updated.</i> <p>2. Procurement</p> <ul style="list-style-type: none"> <i>Petty Cash for minor purchases – do not require PO</i> <i>Utility services – do not require PO</i> <i>All other purchases require a PO as an authorisation to expend funds.</i> 	Marilyn & Karen	

	<ul style="list-style-type: none">• <i>Standing Purchase Orders: Can be implemented, however, the Procurement Policy must be followed to ensure that best practices are being met. Register to be set up showing all Standing Orders and expiry date for review.</i> <p><i>3.Audit</i></p> <ul style="list-style-type: none">• <i>Audit checklist to be sent end of June. Should be similar to F19-20.</i>• <i>Maria to arrange for the Fraud checklist to be sent at the same time</i>		
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Figure 1 –Term Deposit's made by PHCC since December 2011 – Westpac [Corporate Funds]

Amount	Lodgement Date			Maturity Date			Rate	Term	Interest	
	Day	Month	Year	Day	Month	Year				
\$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	\$16,904.92	
\$650,047.86	12	June	2019	12	June	2020	2.18	12	\$14,209.87	
\$664,253.73	12	June	2020	12	April	2021	1.00	10	\$5,532.45	
\$669,790.18	12	April	2021	12	April	2022	0.27	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	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
\$1,000,000	17	June	2019	17	Dec	2019	2.05	6	\$10,278.08
*\$1,510,278.08	17	December	2019	17	July	2020	1.55	7	\$13,618.30
**\$1,523,896.38	17	July	2020	17	July	2021	0.88	12	\$13,410.28
\$1,537,306.66	17	July	2021	22	July	2022	0.20	5 days	\$42.13
\$1,537,348.79	22	July	2021	Term Deposit closed and funds redirected to ANZ Account 016-745 4942-31182 as per authority Marilyn Gray, Treasurer. Action completed by Paige Kennen, ANZ Business Manager 22/07/2021.					