



MINUTES

Audit Committee Meeting

(Subject to confirmation)

28 May 2019

**MINUTES OF YORKE PENINSULA COUNCIL
AUDIT COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBERS , MINLATON TOWN HALL, 57 MAIN STREET,
MINLATON
ON TUESDAY, 28 MAY 2019 AT 3.00PM**

1 WELCOME BY CHAIRPERSON

Member Peter Brass welcomed everyone to the meeting and declared the meeting open.

2 PRESENT

Member Peter Brass, Member Rob Reiman, Cr Leanne O'Brien, Cr Adam Meyer, Cr Tania Stock

In Attendance

Andrew Cameron (CEO), David Harding (Director Corporate and Community Services), Renee Edwards (Minute Taker), Mayor Darren Braund, Sid Jain (Manager, Financial Services, Michael McCauley (Asset Manager), Jackie Reddaway (Executive Assistant to CEO & Mayor), Amanda Pitt (Business Improvement Officer)

3 LEAVE OF ABSENCE

Nil

4 APOLOGIES

Bobbi Pertini (Manager People, Culture and Safety), Trevor Graham (Director, Assets and Infrastructure Services)

5 CONFLICT OF INTEREST

Member Peter Brass reminded all Elected Members of the requirement to disclose any conflict of interest in relation to any matters before Council.

6 MINUTES OF PREVIOUS MEETING – FOR CONFIRMATION

COMMITTEE RESOLUTION

Moved: Member Rob Reiman

Seconded: Cr Adam Meyer

That the minutes of the Audit Committee Meeting held on 26 February 2019 be confirmed.

CARRIED 017/2019 (28/05/2019)

7 VISITORS TO THE MEETING

REPORTS**8 NEW BUSINESS****8.1 AUDIT COMMITTEE WORK PLAN 2019****PURPOSE**

To consider and endorse an updated work plan for 2019.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock

Seconded: Member Rob Reiman

That the Audit Committee endorse the updated 2019 Work Plan.

CARRIED 018/2019 (28/05/2019)

Discussion about incorrect date of the December 2019 meeting on the work plan. Date to be updated to 3 December 2019 on the work plan as agreed by the Audit Committee.

8.2 LONG TERM FINANCIAL PLAN 2020-2029**PURPOSE**

To receive the Council endorsed Long Term Financial Plan 2020 – 2029 (LTFP).

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Leanne O'Brien

That the Audit Committee receive the Council endorsed Long Term Financial Plan 2020 – 2029 as presented.

CARRIED 019/2019 (28/05/2019)

8.3 MARCH QUARTERLY BUDGET REVIEW 2018/2019**PURPOSE**

To receive Council's endorsed March quarter review of the 2018/2019 Budget and associated financial statements, ratios and changes.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock
Seconded: Member Rob Reiman

That the Audit Committee receive the Council endorsed, March 2018/2019 Budget review changes as presented in the attached Summary of Changes, Statement of Comprehensive Income and Uniform Presentation of Finances and receive the updated Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Equity and Financial Indicators (Ratios).

CARRIED 020/2019 (28/05/2019)

8.4 PROPOSED RATING MODELS 2019/2020**PURPOSE**

To update the Audit Committee on indicative Capital Valuations and the Council endorsed rating model for 2019/2020 consistent with Council's Long Term Financial Plan 2020-2029 (LTFP), to raise General Rates to fund Council's Annual Business Plan (ABP) and Budget.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Cr Tania Stock

That the report be received.

CARRIED 021/2019 (28/05/2019)

Members raised concerns about the timeframe for endorsing the rates model. Suggestions were made to start the process earlier, invest in seeking feedback through the Community, and exploring other Council's processes.

Discussion occurred about an article in the Yorke Peninsula Country Times about the proposed rate increases. It was suggested that the article could create a misunderstanding in regard to the expected rate increase percentage. Cr Meyer suggested that Council clarify rate increases to the Community via social media. This was noted by Mr David Harding and will be reviewed with the CEO.

8.5 DRAFT ANNUAL BUSINESS PLAN AND BUDGET 2019/2020**PURPOSE**

Each year Council develops and adopts an Annual Business Plan (ABP) and Budget. This document explains the context in which the Budget has been developed, provides information on what Council plans to achieve in the coming financial year and describes how this will be funded.

As part of the annual business planning process, Council's 2019/2020 Fees and Charges Register has also been reviewed and updated.

This report provides to the Committee, the Council endorsed 2019/2020 draft ABP, Budget and the Fees and Charges for public consultation.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Leanne O'Brien

That the 2019/2020 draft Annual Business Plan, including the 2019/2020 draft Budget and the 2019/2020 Fees and Charges for the financial year ending 30 June 2020 be received.

CARRIED 022/2019 (28/05/2019)

Mr David Harding thanked all involved for their work in preparing the Annual Business Plan.

8.6 PO035 PROPERTY NUMBERING POLICY**PURPOSE**

To seek endorsement for the updated PO035 Property Numbering Policy.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman

Seconded: Cr Leanne O'Brien

That the Committee endorse the updated PO035 Property Numbering Policy and recommend to Council that it be adopted as presented.

CARRIED 023/2019 (28/05/2019)

8.7 INTERNAL AUDIT ACTIVITY REPORT

PURPOSE

The Business Improvement Officer presents an update on recent Internal Audit activity.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman

Seconded: Cr Tania Stock

That the report be received.

CARRIED 024/2019 (28/05/2019)

Internal Audit – Schedule 4 Complying Development Applications – Building Fees Review. Cr Meyer suggested that the CEO write to the Department of Planning, Transport and Infrastructure (DPTI) to seek a definitive ruling to clarify what fees are applicable to Schedule 4 Complying Development given the inconsistencies apparent in advice to date. The question was noted by Mr Andrew Cameron.

Software Licensing Fees – Cr Stock noted that the internal audit memorandum claimed that software fees had been “rigorously” reviewed by the Elected Body and requested the removal of the word ‘rigorously’.

Utilisation and Professional Memberships – Chair Peter Brass suggested that Council look at including Professional Membership Fees as part of total remuneration packages. Noted by Mr David Harding to discuss with the CEO and People, Culture and Safety.

8.8 ELECTED MEMBER OWNED MOBILE DEVICE

PURPOSE

To inform the Audit Committee of a follow up review conducted by the Business Improvement Officer in regards to a Councillor using their own mobile device for Council business.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the report be received

CARRIED 025/2019 (28/05/2019)

Members enquired if adequate back up procedures are in place for Elected Members using their own mobile device. The question was noted by Mr David Harding to seek clarification from the Leader Systems and Technology.

8.9 CQR - CYBER RISK ASSESSMENT FOLLOW UP REPORT**PURPOSE**

To inform the Audit Committee of follow up performed in relation to the 2017 and 2018 CQR – Cyber Risk Assessment reports.

COMMITTEE RESOLUTION

Moved: Member Rob Reiman

Seconded: Cr Adam Meyer

That the report be received.

CARRIED 026/2019 (28/05/2019)

8.10 TECHNICAL REGULATOR FIELD AUDIT - SAFETY, RELIABILITY, MAINTENANCE AND TECHNICAL MANAGEMENT PLAN**PURPOSE**

To inform the Audit Committee members of recent audit activity undertaken by the Office of the Technical Regulator (OTR).

COMMITTEE RESOLUTION

Moved: Cr Tania Stock

Seconded: Member Rob Reiman

That the report be received.

CARRIED 027/2019 (28/05/2019)

8.11 PROPOSED ROTATION OF INTERNAL CONTROLS ASSESSMENT**PURPOSE**

The Business Improvement Officer presents a proposed schedule for the future assessment of internal financial controls.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the Audit Committee endorse the proposed schedule for the assessment of internal financial controls in line with the attached plan.

CARRIED 028/2019 (28/05/2019)

8.12 RISK MANAGEMENT ACTIVITY REPORT**PURPOSE**

To provide the Audit Committee with an update in respect of Council's Risk Management systems.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Member Rob Reiman

That the report be received.

CARRIED 029/2019 (28/05/2019)

Mr David Harding advised that the training for Elected Members referred to in the report had not occurred as reported due to the cancellation of the May Council Workshop. The training will be re-scheduled in the next few months.

8.13 ASSET MANAGEMENT UPDATE**PURPOSE**

To update the Audit Committee members on Asset Management activities.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock

Seconded: Cr Adam Meyer

That the report be received.

CARRIED 030/2019 (28/05/2019)

9 GENERAL BUSINESS

Mr David Harding advised Elected Members that the Council's Financial Accountant, Daniel Griffin, had recently resigned and that the recruitment process was about to commence ahead of the busy financial year end period.

10 NEXT MEETING

Monday 27 August 2019

11 CLOSURE

The Meeting closed at 4:24pm.

The minutes of this meeting were confirmed at the Audit Committee Meeting held on 27 August 2019.

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CHAIRPERSON