



MINUTES

Audit Committee Meeting

(Subject to confirmation)

26 May 2020

**MINUTES OF YORKE PENINSULA COUNCIL
AUDIT COMMITTEE MEETING
HELD VIA ZOOM VIDEO CONFERENCING FROM 8 ELIZABETH ST MAITLAND
ON TUESDAY, 26 MAY 2020 AT 3.00PM**

1 WELCOME BY CHAIRPERSON

Acting Chair Rob Reiman welcomed everyone to the meeting and declared the meeting open at 3:01pm.

2 PRESENT

Acting Chair Rob Reiman, Cr Leanne O'Brien, Cr Adam Meyer, Cr Tania Stock

In Attendance

Mayor Darren Braund, Andrew Cameron (CEO), David Harding (Director Corporate and Community Services), Trevor Graham (Director Assets and Infrastructure Services), Rachel Rains (Minute Secretary), Sid Jain (Manager Financial Services), Michael McCauley (Assets Manager), Amanda Pitt (Business Improvement Officer), Bobbi Pertini (Manager People, Culture and Safety), Mary Hermann (Governance Officer), Brianna Woods (Project Officer).

3 LEAVE OF ABSENCE

Nil

4 APOLOGIES

Nil

5 CONFLICT OF INTEREST

Acting Chair Rob Reiman 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: Cr Leanne O'Brien

Seconded: Cr Adam Meyer

That the minutes of the Audit Committee Meeting held on 25 February 2020 be confirmed.

CARRIED 012/2020 (26/05/2020)

7 VISITORS TO THE MEETING

Nil

REPORTS**8 NEW BUSINESS****8.1 AUDIT COMMITTEE WORK PLAN 2020****PURPOSE**

To consider and endorse an updated work plan for 2020.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Leanne O'Brien

That the Audit Committee endorse the updated 2020 Work Plan.

CARRIED 013/2020 (26/05/2020)

8.2 MARCH QUARTERLY BUDGET REVIEW 2019/2020**PURPOSE**

To receive Council's endorsed March quarterly budget review (as at 31 March 2020) of the 2019/2020 Budget and associated financial statements, ratios and changes.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the Audit Committee receive the Council endorsed 2019/2020 March 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 014/2020 (26/05/2020)

8.3 LONG TERM FINANCIAL PLAN 2021-2030**PURPOSE**

To receive the Council endorsed Long Term Financial Plan 2021 – 2030 (LTFP).

COMMITTEE RESOLUTION

Moved: Cr Tania Stock

Seconded: Cr Leanne O'Brien

That the Audit Committee receive the Council endorsed Long Term Financial Plan 2021 – 2030 as presented.

CARRIED 015/2020 (26/05/2020)

Comment from Chair about bringing the LTFP to Audit Committee prior to adoption. CEO advised he will re-visit timeframes to see if possible based on the timing of Audit Committee scheduled meetings.

8.4 RATING MODEL 2020/2021

PURPOSE

To update the Audit Committee on indicative Capital Valuations and the endorsed rating model for 2020/2021 to raise General Rate revenue 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 016/2020 (26/05/2020)

8.5 DRAFT ANNUAL BUSINESS PLAN AND BUDGET 2020/2021

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 2020/2021 Fees and Charges have also been reviewed and updated.

This report provides to the Committee, the Council endorsed 2020/2021 Draft ABP, Budget and Fees and Charges for public consultation.

COMMITTEE RESOLUTION

Moved: Cr Leanne O'Brien

Seconded: Cr Adam Meyer

That the 2020/2021 Draft Annual Business Plan, including the 2020/2021 Draft Budget and the 2020/2021 Fees and Charges for the financial year ending 30 June 2021 be received.

CARRIED 017/2020 (26/05/2020)

8.6 POLICY REVIEW - PO060 - RATES RELIEF POLICY**PURPOSE**

To inform the Committee about the Council endorsed changes to the PO060 Rates Relief Policy as a result of COVID-19.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the updated Policy be received.

CARRIED 018/2020 (26/05/2020)

Cr Tania Stock enquired as to what impact the Labor Party's recent proposal to rebate last quarters' rates for businesses may have on Yorke Peninsula Council.

The Director Corporate and Community Services took the question on notice and advised he would provide a response.

8.7 BAD DEBTS WRITE-OFF**PURPOSE**

To inform the Audit Committee about bad debts greater than \$1,000 to be written off in accordance with section 143 of the Local Government Act 1999 (Act) and Council Policy PO008 Bad Debts – Delegation of Authority.

COMMITTEE RESOLUTION

Moved: Cr Tania Stock

Seconded: Cr Leanne O'Brien

That the report be received.

CARRIED 019/2020 (26/05/2020)

Cr Adam Meyer requested a copy of Council's Debt Collection Procedure.

The Manager Financial Services advised that he would provide a copy via email.

8.8 TREASURY MANAGEMENT PERFORMANCE 2018/2019**PURPOSE**

Review of Council's treasury management (investments and borrowings) activity and performance for 2018/2019 in accordance with legislation and PO139 Treasury Management Policy.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the report be received.

CARRIED 020/2020 (26/05/2020)

8.9 NATIONAL DISABILITY INSURANCE SCHEME STAGE 2 AUDIT**PURPOSE**

To consider the external audit results in relation to the degree of compliance with relevant National Disability Insurance Scheme (NDIS) criteria for the Yorke Peninsula Leisure Options (YPLO) programme.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Cr Leanne O'Brien

That the External Audit Core Results and Non Conformance report from SAI Global be received and the Audit Committee endorse management's response to the issues identified.

CARRIED 021/2020 (26/05/2020)

8.10 RISK MANAGEMENT ACTIVITY REPORT**PURPOSE**

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

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Cr Tania Stock

That the report be received.

CARRIED 022/2020 (26/05/2020)

8.11 BUSINESS CONTINUITY PLAN**PURPOSE**

To consider and endorse the updated Yorke Peninsula Council Business Continuity Plan.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer
Seconded: Cr Tania Stock

That the Audit Committee endorse the updated Business Continuity Plan and recommend to Council that it be endorsed and adopted.

CARRIED 023/2020 (26/05/2020)

8.12 COMMUNITY WASTEWATER MANAGEMENT SYSTEM (CWMS) INFRASTRUCTURE ASSET VALUATION**PURPOSE**

To receive and endorse the CWMS Infrastructure Asset Valuation and Methodology Report.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the Audit Committee receive and endorse the CWMS Infrastructure Asset Valuation and Methodology Report.

CARRIED 024/2020 (26/05/2020)

8.13 POTABLE WATER INFRASTRUCTURE ASSET VALUATION**PURPOSE**

To receive and endorse the Potable Water Infrastructure Asset Valuation and Methodology Report.

COMMITTEE RESOLUTION

Moved: Cr Leanne O'Brien

Seconded: Cr Tania Stock

That the Audit Committee receive and endorse the Potable Water Infrastructure Asset Valuation and Methodology Report.

CARRIED 025/2020 (26/05/2020)

8.14 STORMWATER INFRASTRUCTURE ASSET VALUATION**PURPOSE**

To receive and endorse the Stormwater Infrastructure Asset Valuation and Methodology Report.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Leanne O'Brien

That the Audit Committee receive and endorse the Stormwater Infrastructure Asset Valuation and Methodology Report.

CARRIED 026/2020 (26/05/2020)

8.15 DRAFT INTERNAL AUDIT PROCEDURE**PURPOSE**

To provide Audit Committee with a copy of Council's Draft Internal Control Audit Procedure (PR150).

COMMITTEE RESOLUTION

Moved: Cr Leanne O'Brien

Seconded: Cr Tania Stock

That the report be received.

CARRIED 027/2020 (26/05/2020)

8.16 INTERNAL AUDIT ACTIVITY REPORT**PURPOSE**

To provide Audit Committee with an update on the recent Internal Audit activity.

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the report be received.

CARRIED 028/2020 (26/05/2020)

Mayor Darren Braund left the meeting at 4.54pm

8.17 POLICY REVIEW - PO084 CORPORATE PURCHASE CARD POLICY**PURPOSE**

For the Audit Committee to consider and recommend that Council endorse the updated PO084 Corporate Purchase Card Policy.

COMMITTEE RESOLUTION

Moved: Cr Leanne O'Brien

Seconded: Cr Tania Stock

That the Audit Committee recommend to Council that the updated PO084 Corporate Purchase Card Policy be endorsed as presented.

CARRIED 029/2020 (26/05/2020)

8.18 NEW POLICY - PO178 COMMUNITY EMERGENCY MANAGEMENT AND DISASTER RECOVERY**PURPOSE**

To provide the Audit Committee with a copy of the draft Community Emergency Management and Disaster Recovery Policy (PO178).

COMMITTEE RESOLUTION

Moved: Cr Adam Meyer

Seconded: Cr Tania Stock

That the report be received.

CARRIED 030/2020 (26/05/2020)

9 GENERAL BUSINESS

Acting Chair Rob Reiman noted that Elected Members received via email a copy of Council's external auditor Dean Newberry and Partners' letter (dated 7 April 2020) regarding modification of their audit program in relation to the COVID-19 pandemic.

CONFIDENTIAL AGENDA**10 CONFIDENTIAL ITEMS****10.1 APPOINTMENT OF INDEPENDENT MEMBER – AUDIT COMMITTEE****COMMITTEE RESOLUTION**

Moved: Cr Leanne O'Brien

Seconded: Cr Tania Stock

Section 90 Order

That pursuant to Section 90(2) and (3)(a) of the Local Government Act 1999, the Council orders, that the public be excluded from the meeting relating to Item 9.1 Independent Member Appointment to Audit Committee, with the exception of the following persons:

- Chief Executive Officer

The Council is satisfied that, pursuant to Section 90(2) and (3)(a) of the Act, the information to be received, discussed or considered in relation to report Item 9.1 Independent Member Appointment to Audit Committee, is confidential information relating to:

- (a) information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of any person (living or dead)

Accordingly, on this basis, the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information or matter confidential.

CARRIED 031/2020 (26/05/2020)

5.07pm – the public were removed from the meeting and the Chamber secured.

5.19pm

RESUMPTION OF PUBLIC MEETING

11 NEXT MEETING

Tuesday 25 August 2020

12 CLOSURE

The Meeting closed at 5.19pm.

The minutes of this meeting were confirmed at the Audit Committee Meeting held on 25 August 2020.

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CHAIRPERSON