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Minutes of the Audit Committee Meeting of the Yorke Peninsula Council

held on Wednesday 11th February 2015,
in the Council Chambers
57 Main Street Minlaton commencing at 3.00pm
(Subject to confirmation)

ITEM 1 WELCOME

Mr Peter Brass welcomed everyone to the meeting and declared the meeting open at 3pm

PRESENT

Independent Members Peter Brass (Via telephone) and David Hurley, Councillors John Rich (3.02 pm), Tania Stock and Scott Hoyle

APOLOGIES

IN ATTENDANCE

Mayor Ray Agnew	Chief Executive Officer
Andrew Cameron	Director Corporate and Community Services
David Harding	Director Assets and Infrastructure Services
Trevor Graham	Asset Manager
Michael McCauley	Risk Management Officer
Brianna Wood	Financial Accountant
Chloe Brown	Business Improvement Officer
Anne Hammond	Supervising Minute Secretary
Kylie Gray	Minute Secretary
Felicity Kemp	

MINUTES OF THE PREVIOUS MEETING

Cr Tania Stock moved **David Hurley seconded**

That the minutes of the Audit Committee meeting held on 11th December 2014 as circulated, be confirmed as a true record.

CARRIED 001/2015 (11/02/2015)

CONFLICT OF INTEREST

The Chairperson reminded all members of the requirement to disclose any conflict of interest and provide full and accurate details of the relevant interest to the Audit Committee prior to consideration of that item on the Agenda.

ITEM 2 REPORTS

1. REVIEW AUDIT COMMITTEE WORK PLAN 2015

Mr David Harding spoke to the report. Dates of future meetings to be endorsed. Minor changes to scheduling of report presentations.

Cr John rich moved

David Hurley seconded

That the Audit Committee endorses the updated 2015 Audit Committee Work Plan.

CARRIED 002/2015 (11/02/2015)

2. ANNUAL BUSINESS PLAN AND BUDGET TIMETABLE 2015/2016

Mr David Harding spoke to the report and answered questions from members.

The timetable presented was endorsed by Council at its January 2015 meeting. The first draft for the 2015/2016 budget is due to be presented to Council at the March workshop. Draft Capital Budgets are to be presented to the February 2015 workshop along with Elected Member's Budget Requests.

Cr Tania Stock moved

Cr John Rich seconded

That the Audit Committee receives the report

CARRIED 003/2015 (11/02/2015)

3. DECEMBER 2014 BUDGET REVIEW

Mr David Harding spoke to the report and answered questions from members.

Attachment provided to members at the meeting including maps of the seawater flooding areas.

Action: Copy of attachment to be provided to the chairperson

Discussion took place in regard to budget adjustments and the effects of the major items on the budget bottom line.

Cr John Rich moved

Cr Scott Hoyle seconded

That the Audit Committee recommend that Council adopt the December 2014 Budget Review changes as presented in the December 2014 Budget Review – Summary of Changes and the attached financial reports. (Uniform Presentation of Finances, Statement of Comprehensive Income, Balance Sheet, Cash Flow Statement, Statement of Changes in Equity and Financial Ratios Report).

CARRIED 004/2015 (11/02/2015)

4. LONG TERM FINANCIAL PLAN UPDATE

Mr David Harding spoke to the report and answered questions from members.

Discussion occurred around LTFP, financial sustainability targets and possible reviews of future service levels.

Funding cuts (Supplementary Roads and FAG's) to date are almost completely responsible for failure to achieve an operating surplus by year 10 of the endorsed LTFP. The draft LTFP shows this should be achieved 2 years later than planned if financial sustainability targets are largely unaltered. Further fund cuts may require service level reviews and could impact road network upgrades and Asset Sustainability in the long term.

Mr David Harding answered questions in relation to councils operating ratios and how it compares to other councils.

Cr John Rich moved **David Hurley seconded**

That the Audit Committee receives the report in relation to Council's Long Term Financial Plan development.

CARRIED 005/2015 (11/02/2015)

5. RESPONSE TO COMPLETION OF BALANCE DATE AUDIT LETTER

Mr David Harding spoke to the report and answered questions from members.

Cr Scott Hoyle moved **David Hurley seconded**

That the report be received.

CARRIED 006/2015 (11/02/2015)

6. INTERNAL AUDIT ACTIVITY REPORT

Ms Anne Hammond spoke to the report and answered questions from members.

Ms Brianna Wyatt answered questioned in relation to the Hazard Register.

Recommendation from Mr Peter Brass to include volunteer and contractor management in future WHS Internal Audit's.

Cr John Rich moved **Cr Tania Stock seconded**

That the revised due dates as provided in Appendix B are endorsed.

CARRIED 007/2015 (11/02/2015)

7. INTERNAL CONTROLS PROJECT UPDATE

Ms Anne Hammond spoke to the report and answered questions from members.

David Hurley moved **Cr Scott Hoyle seconded**

That the report be received.

CARRIED 008/2015 (11/02/2015)

8. RISK MANAGEMENT REPORT

Ms Brianna Wood spoke to the report and answered questions from members.

Cr John Rich moved

David Hurley seconded

That Audit Committee endorse the Risk Management Policy and Procedure documents to support the risk management process.

CARRIED 009/2015 (11/02/2015)

9. ASSET MANAGEMENT UPDATE

Mr Michael McCauley spoke to the report and answered questions from members.

Discussions occurred around road hierarchy and the review of unsealed road condition assessments and required service levels.

Mr Peter Brass questioned how these reviews and possible subsequent revaluations might impact on depreciation.

Cr John Rich moved

David Hurley seconded

That the report be received

CARRIED 010/2015 (11/02/2015)

10. ELECTRONIC DOCUMENT AND RECORDS MANAGEMENT SYSTEM (EDRMS) UPDATE

Mr David Harding spoke to the report and answered questions regarding the functionality of the proposed system and impacts from a legislative view.

Cr Tania Stock moved

Cr Scott Hoyle seconded

That the report be received.

CARRIED 011/2015 (11/02/2015)

11. AUDIT COMMITTEE SELF ASSESSMENT DRAFT

Mr David Harding spoke to the report.

Mr Peter Brass suggested that the form should also be endorsed by Council at its March 2015 meeting.

Form to then be distributed to all members of the outgoing Audit Committee and information collated for the April meeting.

Cr John Rich moved

Cr Tania Stock seconded

That the Audit Committee Self-Assessment form be endorsed.

CARRIED 012/2015 (11/02/2015)

ITEM 3 GENERAL BUSINESS

Cr John Rich asked about the current value of the CWMS plants at Hardwicke Bay, Balgowan and Black Point. Mr Michael McCauley advised that these plants were re-valued last financial year.

Discussion occurred around availability of information on these schemes to the general public.

ITEM 4 NEXT MEETING

Wednesday 22nd April 2015

Minlaton Council Chamber

ITEM 5 CLOSURE

The Meeting Closed at 3.58pm.

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Mr Peter Brass