



Agriculturally rich-Naturally beautiful

Minutes of the Audit Committee Meeting of the Yorke Peninsula Council

held on Tuesday 24th June 2014,
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 phone link) and David Hurley, Councillors Brenda Bowman (Deputy Mayor), Bob Nicholls and John Rich

IN ATTENDANCE

Mayor Ray Agnew
Andrew Cameron
David Harding
Trevor Graham
Karen Schulz
Amanda Parkes
Anne Hammond
Michael McCauley
Chloe Brown
Brianna Wood
Kylie Gray

Chief Executive Officer
Director Corporate and Community Services
Director Assets and Infrastructure Services
Manager Financial Services
Business Improvement Officer
Business Improvement Officer
Asset Manager
Financial Accountant
Risk Administrator
Minute Secretary

MINUTES OF THE PREVIOUS MEETING

Cr John Rich moved Cr Bob Nicholls seconded

That the minutes of the Audit Committee meeting held on Tuesday 13th May 2014 as circulated, be confirmed as a true record.

CARRIED 023/2014 (23/06/2014)

CONFLICT OF INTEREST

The Chairman reminded all members of their 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

DIRECTOR CORPORATE AND COMMUNITY SERVICES

1. ANNUAL BUSINESS PLAN CONSULTATION FEEDBACK

Mr Harding spoke to this report.

Copies of letters received from the community were provided to Elected Members prior to the June 2014 Council meeting under separate cover.

Cr Bob Nicholls moved Cr Brenda Bowman seconded

That the report be received.

CARRIED 024/2014 (23/06/2014)

2. 2014/2015 ANNUAL BUSINESS PLAN AMENDMENTS

Mr Harding spoke to this report.

Discussion centred around required updates to the Long Term Financial Plan as a result of Council endorsed changes to the Annual Business Plan.

Cr John Rich moved Cr Bob Nicholls seconded

That the report be received.

CARRIED 025/2014 (23/06/2014)

3. PROPOSED GENERAL RATES 2014/2015

Mr Harding spoke to this report.

Option 2 was endorsed by Council at its June Meeting. Final valuations are expected in time for the formal declaration of rates at the July Council Meeting.

Cr Brenda Bowman moved Mr David Hurley seconded

That the report be received.

CARRIED 026/2014 (23/06/2014)

4. DRAFT INTERIM MANGEMENT LETTER

Mr Peter Brass confirmed the correct process for the review of the draft Interim Management Letter:

1. Management responses to be provided to the auditors,
2. Formal Interim Management Letter from the auditors, incorporating management's responses, to be officially received and registered to the Mayor and chair of the Audit Committee,
3. Interim Management letter to be provided to the Audit Committee for review.

Mr David Harding advised that the responses have been prepared and will be forwarded to Dean Newberry and Partners.

Cr John Rich moved Cr Brenda Bowman seconded

That review of the draft Interim Management Letter from Dean Newberry and Partners be deferred until the next Audit Committee meeting.

CARRIED 027/2014 (23/06/2014)

BUSINESS IMPROVEMENT OFFICER

5. INTERNAL AUDIT PLAN 2015-17

Ms Parkes spoke to this report.

Mr Peter Brass suggested that Reporting also be included along with the Objective and Methodology.

Mr Hurley reminded management of the Audit Committee request that a schedule of financial policies, including proposed review dates, be supplied at the next scheduled Audit Committee meeting.

Mr Harding undertook to ensure that schedule is prepared.

Action: List of Financial Policies to be provided to the Audit Committee with review dates.

Cr Bob Nicholls moved Cr John Rich seconded

The Audit Committee endorse the three year Internal Audit Plan for FY2015 – 2017.

CARRIED 028/2014 (23/06/2014)

ASSET MANAGER

6. ASSET MANAGEMENT UPDATE

Mr McCauley spoke to this report.

Mr McCauley confirmed that the Valuation Report for Transportation Infrastructure Assets will be completed by Monday the 30th of June.

Discussions occurred around the use of the Conquest Program and the support/knowledge that may be leveraged from other Council's already using this program.

A copy of the Asset Management Maturity Audit March 2014, was provided to the members.

Discussions occurred around the recommendations of the report and resources required in order to fulfill the recommendations.

Mr Trevor Graham advised that resources needed will be determined once the data has been input into the Conquest Program.

Cr Bob Nicholls moved

Mr David Hurley seconded

That the report be received.

CARRIED 029/2014 (23/06/2014)

INDEPENDENT PROJECT MANAGER – STEVE WALKER

Presented by David Harding on Steve Walker's behalf

7. ROAD CONDITION ASSESSMENT PROJECT UPDATE

Mr Harding provided a verbal update.

Valuation to be provided to Council is required to be at the 1st of July 2013 to allow for accurate depreciation calculations for the 2013/2014 financial year in accordance with accounting standards.

A scheduled meeting with the Auditors on Monday 30th of June 2014 will determine if the work that has been completed will be sufficient. This meeting will be attended by Mr Harding, Mrs Schulz, Mr McCauley, Mr Walker and Mr Rod Ellis from Tonkins.

Initial discussions with the auditors have confirmed their support for valuations incorporating residual values which are incorporated in the valuations to be provided to Council. All aspects of the valuation are on the agenda at the scheduled meeting on 30 June 2014.

If the valuations are significantly different from valuations of individual assets reported at 30th June, 2013 there may be a requirement for adjustments relating to past periods. Asset write offs and adjustments to accumulated depreciation in accordance with relevant accounting standards will be undertaken once valuations have been reconciled to the satisfaction of the auditors.

Mr David Hurley moved

Cr Brenda Bowman seconded

That the report be received.

CARRIED 030/2014 (23/06/2014)

ITEM 3 GENERAL BUSINESS

Maloney Services are providing building valuations to comply with the requirements of accounting standard AASB13 and are in direct consultation with the Auditors to ensure compliance. Water Schemes are also being revalued by Maloney's.

The final Auditors visit for verification of the 2013/2014 Financial Statements is currently scheduled for September 15th and 16th 2014.

ITEM 4 NEXT MEETING

Tuesday 26th August 2014 at 3pm
Minlaton Council Chamber

ITEM 5 CLOSURE

The Meeting Closed at 3.35pm

.....

Mr Peter Brass