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Minutes of the Audit Committee Meeting of the Yorke Peninsula Council

held on Wednesday 24th June 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 3.00pm

PRESENT

Independent Members Peter Brass and David Hurley, Councillors John Rich and Tania Stock

APOLOGIES

Scott Hoyle
Brianna Wood
Andrew Cameron

IN ATTENDANCE

Mayor Ray Agnew	Mayor
Trevor Graham	Director Assets and Infrastructure Services
David Harding	Acting Chief Executive Officer
Anne Hammond	Business Improvement Officer
Amanda Pitt	Business Improvement Officer
Michael McCauley	Asset Manager
Karen Schulz	Manager Financial Services
Chloe Brown	Financial Accountant
Felicity Kemp	Minute Secretary

MINUTES OF THE PREVIOUS MEETING

Cr Rich moved

Cr Stock seconded

That the minutes of the Audit Committee meeting held on 27th May 2015 as circulated, be confirmed as a true record.

CARRIED 027/2015 (24/06/2015)

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. 2015/16 ANNUAL BUSINESS PLAN PUBLIC CONSULTATION FEEDBACK

Mr David Harding spoke to the report.

Cr Stock moved **Cr Rich seconded**

That the Audit Committee receive the report.

CARRIED 028/2015 (24/06/2015)

2. PROPOSED GENERAL RATES 2015/16

Mr David Harding spoke to the report.

Cr Rich moved **David Hurley seconded**

That the Audit Committee receive the report.

CARRIED 029/2015 (24/06/2015)

3. LONG TERM FINANCIAL REPORT

Mr David Harding gave a verbal update. David advised the committee about the Roads to Recovery (RTR) new direct funding to Councils. At this stage we are unsure of what Council will receive. LTFP is on track along with the ABP.

Peter Brass asked when will the LTFP be updated. David advised once ABP is adopted we can put it out to the public. Peter asked about how much money will be received from RTR. David advised a formula is completed by the RTR.

Cr Stock moved **Cr Rich seconded**

That the Audit Committee receive the verbal update.

CARRIED 030/2015 (24/06/2015)

4. INTERIM AUDIT

Ms Karen Schulz gave a verbal update. We still haven't received the letter from Dean Newbery's office. Peter asked if they gave an indication of what will be included in the interim audit management letter. Karen advised process and procedures were good and they were focusing on Internal Controls. Peter will contact Dean Newbery's office to see when Council will be receiving the interim audit management letter.

Cr Stock moved **David Hurley seconded**

That the Audit Committee receive the verbal update.

CARRIED 031/2015 (24/06/2015)

5. INTERNAL AUDIT ACTIVITY REPORT

Ms Anne Hammond spoke to the report and answered questions from members. Discussion occurred around the high risk rating items in Asset Management and Policies that have been revised with no date. These items are reliant on asset management plans being completed and the information being input to the system. Questions were asked around the high risk level item in WHS, it will be completed by 30 September 2015. Discussions and questions occurred around the Asset Management system and its completion date affecting the LTFFP.

Cr Rich moved **David Hurley seconded**

That the report be received.

CARRIED 032/2015 (24/06/2015)

6. INTERNAL CONTROLS PROJECT UPDATE

Ms Anne Hammond spoke to the report and answered questions from members. Questions were asked around the high priority item audits being started. Discussions and answers were given with the priorities to be started once we get to the new office. Most audits are for low amounts of monies. Discussions and answers occurred around when the Finance Manual will be ready. Peter Brass requested a copy be presented at a future Audit Committee meeting once finalised.

Cr Rich moved **Cr Stock seconded**

That the report be received.

CARRIED 033/2015 (24/06/2015)

7. INTERNAL CONTROLS PROPOSED PROGRAM

Amanda Pitt gave a verbal report and answered questions from members. Priority of Internal Controls has been assessed. There is a high volume of controls and these will be prioritised and assessed based on risk.

Action: Amanda will bring back to the Audit Committee the proposed internal controls program.

Cr Stock moved **David Hurley seconded**

That the Audit committee receive the verbal update.

CARRIED 034/2015 (24/06/2015)

8. INTERNAL AUDIT PLAN 2016-2018

Ms Amanda Pitt gave a verbal report and answered questions from members. The 2016-2018 Audit plan will cover WHS Audit (Hazard), Procurement, Asset Management System, Volunteer Management, Fees and Charges register. Discussion occurred around the WHS Audit and the control level. Peter Brass enquired if Council will outsource any internal audits and there is a budget for possible outsourcing especially for IT audits that require specialised skills.

Cr Rich moved **David Hurley seconded**

That the Audit Committee endorsed the three year Internal Audit Plan for FY2016-2018.

CARRIED 035/2015 (24/06/2015)

9. ASSET MANAGEMENT UPDATE

Mr Michael McCauley spoke to the report and answered questions from members. Discussions occurred around underground infrastructure. Cr Rich spoke about how well the system can produce reports. Cr Stock spoke in support to Cr Rich, and congratulated Michael and his team on the work completed so far and how far the Council has come with this new system in place.

Cr Stock moved David Hurley seconded

That the report be received.

CARRIED 036/2015 (24/06/2015)

10. ASSET MANAGEMENT POLICY

Mr David Harding spoke to the report and answered questions from members. Discussion occurred around changes to the policy.

Action: David Harding to include reference to the Asset Management System when the Policy is ready for updating in 2017.

Cr Rich moved Cr Stock seconded

That the Audit Committee endorse the Asset Management Policy.

CARRIED 037/2015 (24/06/2015)

ITEM 3 GENERAL BUSINESS

- 3.1 Discussions occurred around Yorke Peninsula Community Transport.
- 3.2 Andrew Cameron is currently on leave for 6 wks. David Harding is currently Acting CEO.
- 3.3 Cr Rich asked when the new office will open? Scheduled date is 13th July 2015.
- 3.4 Anne Hammond advised a new template for Council reports has been adopted. Next Audit Committee meeting papers will incorporate the new template.

ITEM 4 NEXT MEETING

Wednesday September 23rd 2015

ITEM 5 CLOSURE

The Meeting Closed at 4.10pm

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Mr Peter Brass