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Minutes of the Audit Committee Meeting of the Yorke Peninsula Council

held on Wednesday 26th October 2016,
in the Council Chambers
57 Main Street Minlaton commencing at 9:00am
(Subject to confirmation)

ITEM 1 WELCOME

Mr Peter Brass welcomed everyone to the meeting and declared the meeting open at 9.00am.

PRESENT

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

APOLOGIES

Andrew Cameron, Cr Scott Hoyle and Trevor Graham

IN ATTENDANCE

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| Mayor Ray Agnew | |
| David Harding | Director Corporate and Community Services |
| Sid Jain | Manager Financial Services |
| Anne Hammond | Manager Business and Public Relations |
| Michael McCauley | Asset Manager |
| Roxanne White | Risk Management Officer |
| Chloe Brown | Financial Accountant |
| Daniel Griffin | Financial Accountant |
| Jim Keogh | External Auditor |
| Stuart Simpson | External Auditor |
| Rachel Rich | Minute Secretary |

MINUTES OF THE PREVIOUS MEETING

Cr Rich moved **David Hurley seconded**

That the minutes of the Audit Committee meeting held on 29th June 2016 as circulated, be confirmed as a true record.

CARRIED 034/2016 (26/10/2016)

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. No conflicts were disclosed by the Committee members.

9.02am the Audit Committee held an in camera session with the external auditors - management and staff left the Chamber.

9.38am the Audit Committee Public meeting resumed.

Mr Peter Brass advised that the meeting will begin with Items 4 & 5, due to External Auditors requirement to be back in Adelaide. Meeting will then proceed back to Item 1 as scheduled.

ITEM 2 REPORTS

1. REVIEW AUDIT COMMITTEE WORK PLAN 2016

Mr David Harding spoke to the report and answered questions from the Committee. Dates of future meetings can be reviewed if necessary. Updated changes advised accordingly.

Cr Stock moved David Hurley seconded

That the Audit Committee endorses the updated 2016 Audit Committee Work plan.

CARRIED 037/2016 (26/10/2016)

2. REVIEW TERMS OF REFERENCE

Mr David Harding spoke to the report and answered questions from the Committee. Mr Peter Brass queried the requirement of an ICAC reference within the document. David advised the Terms of Reference are based from a LGA template. David advised that the question would be received on notice.

David Hurley moved Cr Stock seconded

That the Audit Committee recommend to Council that the updated Terms of Reference be adopted, subject to the review and inclusion of an appropriate ICAC clause.

CARRIED 038/2016 (26/10/2016)

3. LONG TERM FINANCIAL PLAN UPDATE

Mr David Harding and Mr Sid Jain gave a verbal update and answered questions from the Committee. Discussions ensued regarding service level reviews over the next 3 years.

Cr Rich moved David Hurley seconded

That the Audit Committee notes the report.

CARRIED 039/2016 (26/10/2016)

4. EXTERNAL AUDIT ACTIVITY UPDATE

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

Mr Keogh advised there will be a follow up on items for internal controls with next year's audit, this will be added as a separate item on the February 2017 agenda.

Cr Rich put forward a suggestion to increase font sizes on report attachments to improve readability in the agenda.

Discussions ensued over the Business Continuity Plan and its effectiveness and reliability with recent storms experienced around Yorke Peninsula. Areas have been identified for review and improvement.

Cr Stock moved

David Hurley seconded

That the Audit Committee endorse the updated External Audit findings and recommendations report.

CARRIED 035/2016 (26/10/2016)

5. 2015/2016 AUDITED GENERAL PURPOSE FINANCIAL STATEMENTS

Mr David Harding spoke to the report and asked that it be noted to congratulate Sid Jain and the finance team for their efforts. David Harding handed over to Sid Jain to speak to the report and answer questions from the Committee. Mr Peter Brass enquired if the 2016 Management Representation Letter was completed and a copy should be provided to the Audit Committee. Mr Sid Jain advised the letter is now completed and a copy will be circulated to Committee members.

Cr Rich moved

Cr Stock seconded

1. That the CEO and Mayor be authorised to certify the accounts, and
2. The CEO and Presiding Member of the Audit Committee sign the Certification of Auditor Independence, and
3. The CEO and the Director Corporate and Community Services be authorised to sign the Management Representation Letter to the Auditors.

CARRIED 036/2016 (26/10/2016)

10.22am Mr Jim Keogh and Mr Stuart Simpson left the Chamber.

6. EDRMS SYSTEM UPDATE

Mrs Anne Hammond presented the report and answered questions from the Committee. David Harding acknowledged the great work/effort from staff with the implementation of the system. Mr Peter Brass queried whether text messages on Council mobile phones are being captured within the system. Mrs Anne Hammond advised that certain work related text messages are also confirmed by email and these will be captured within the system.

Cr Rich moved

David Hurley seconded

That the Audit Committee receives and notes the report.

CARRIED 040/2016 (26/10/2016)

7. ASSET MANAGEMENT UPDATE

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

David Hurley moved Cr Stock seconded

That the Audit Committee receives and notes the report.

CARRIED 041/2016 (26/10/2016)

8. RISK MANAGEMENT UPDATE

Ms Roxanne White spoke to the report and answered questions from the Committee. Mr Peter Brass queried the areas of low scores for the LGMLS review and the action plan to improve these scores. The attached Action Plan will be reported back to the Committee at each scheduled meeting. As previously noted, it will be beneficial to increase font size on report attachments for improved readability in the agenda.

Cr Stock moved David Hurley seconded

That Audit Committee receives and notes the report with the inclusion of the Action Plan updates.

CARRIED 042/2016 (26/10/2016)

9. AUDIT COMMITTEE SELF-ASSESSMENT – DISCUSSION

Mr David Harding requested the Audit Committee have self-assessment forms returned to him by the end of next week. Information will be collated and a report will be presented at the 14th December 2016 meeting.

ITEM 3 GENERAL BUSINESS

3.1. Audit Committee Independent Members – Panel recommendation from the Expression of Interest will go to the next Council Meeting on 9th November 2016 for approval.

ITEM 4 NEXT MEETING

Wednesday 14th December 2016 3.00pm

ITEM 5 CLOSURE

The Meeting Closed at 10.48am

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Mr Peter Brass