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Minutes of the Audit Committee Meeting of the Yorke Peninsula Council

held on Wednesday 8th March 2017,
in the Council Chambers
57 Main Street Minlaton commencing at 10:00am
(Subject to confirmation)

ITEM 1 WELCOME

Mr Peter Brass welcomed everyone to the meeting and declared the meeting open at 10.02am.

PRESENT

Independent Members Peter Brass and Rob Reiman, Councillors Tania Stock, Scott Hoyle and John Rich.

APOLOGIES

Nil

IN ATTENDANCE

Mayor Ray Agnew	Chief Executive Officer
Andrew Cameron	Director Corporate and Community Services
David Harding	Director Assets and Infrastructure
Trevor Graham	Manager Financial Services
Sid Jain	Asset Manager
Michael McCauley	Manager People and Culture
Bobbi Pertini	Business Improvement Officer
Amanda Pitt	Business Improvement Officer
Chelly Litster	Minute Secretary
Rachel Rich	

MINUTES OF THE PREVIOUS MEETING

Cr Rich moved

Rob Reiman seconded

That the minutes of the Audit Committee meeting held on 14th December 2016, with the following minor alteration to minute reference **047/2016 (14/12/2016) 1.** to read:

1. endorse and adopt the updated Audit Committee Terms of Reference be confirmed as a true record.

CARRIED 001/2017 (8/03/2017)

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.

ITEM 2 REPORTS

1. AUDIT COMMITTEE WORK PLAN 2017

Mr David Harding spoke to the report and answered questions from the Committee, noting the only change is that the February meeting was moved to March. Mr Peter Brass also noted the May meeting is moved to June and this should be updated in the plan.

Cr Stock moved Rob Reiman seconded

That the Audit Committee endorse the revised 2017 Audit Committee Work Plan.

CARRIED 002/2017 (8/03/2017)

2. 2017 – 2019 INTERNAL AUDIT PLAN

Mrs Amanda Pitt spoke to the report and answered questions from the Committee.

CEO Andrew Cameron entered Chamber 10.08am

Discussion ensued around the flexibility of the plan and being a risk based plan would allow for new internal audit projects to be included and presented to the Audit Committee for approval.

Cr Hoyle moved Cr Rich seconded

That the Audit Committee endorse the three (3) year Internal Audit Plan for 2017 - 2019.

CARRIED 003/2017 (8/03/2017)

3. 2016/2017 DECEMBER QUARTERLY BUDGET REVIEW

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

Mr Peter Brass queried the reclassification of Roads to Recovery Funding along with the increase in cleaning contracts. CEO advised that a major service level review is about to begin with a list of services to be reviewed currently being compiled.

Cr Hoyle moved Rob Reiman seconded

That the Audit Committee receive the Council endorsed December 2016 Budget Review changes as presented.

CARRIED 004/2017 (8/03/2017)

4. LONG TERM FINANCIAL PLAN UPDATE

Mr Sid Jain spoke to the report and answered questions from the Committee. Mr Peter Brass queried the increase expected in electricity costs and the impact they will have. Sid advised the street lighting contract has recently been renewed, and while there will be a substantial increase in cost, the deal brokered by the LGA is significantly better than indicative market rates. The full impact is still under review.

Cr Rich moved **Cr Stock seconded**

That the Audit Committee receive the report.

CARRIED 005/2017 (8/03/2017)

5. ASSET MANAGEMENT UPDATE

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

Cr Hoyle moved **Cr Stock seconded**

That the Audit Committee receives and notes the report.

CARRIED 006/2017 (8/03/2017)

6. RISK MANAGEMENT UPDATE

As Mrs Roxanne White is on leave Mrs Bobbi Pertini spoke to the report and answered questions from the Committee.

Mr Peter Brass queried the 5 year Risk Maturity Assessment and when it is likely to be completed.

Rob Reiman moved **Cr Stock seconded**

That the Audit Committee receives and notes the report.

CARRIED 007/2017 (8/03/2017)

7. INTERNAL AUDIT ACTIVITY REPORT

Mrs Chelly Litster spoke to the report and answered questions from the Committee.

Discussion ensued around the need for a dedicated procurement officer on Council staff.

As the mayor has no delegation in regard to expenditure a suggestion was made by Mr Peter Brass to amend the statement made by the Mayor when he signs off on the CEO's Corporate Purchase Card to read: "*The transactions for this Corporate Purchase Card are for **legitimate** Council Business expenses.*"

Cr Rich moved **Cr Hoyle seconded**

That the Audit Committee receives and notes the report.

CARRIED 008/2017 (8/03/2017)

ITEM 3 GENERAL BUSINESS

- 3.1** Mr Rob Reiman queried the flexibility of timings for future meetings and requested any proposed 10.00am starts be amended to 11.00am.
- 3.2** Mr Peter Brass requested an update on the external auditor report and outstanding items from this list. Sid advised that this item as it nears completion has been incorporated in to the Internal Audit Report.
- 3.3** External auditors have confirmed interim audit dates in April. Mr Peter Brass suggested findings be reported to the Audit Committee at next meeting scheduled in June 2017.

ITEM 4 NEXT MEETING

Wednesday 7th June 2017 3.00pm

ITEM 5 CLOSURE

The Meeting Closed at 11.00am

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Mr Peter Brass