

MINUTES

of

Audit Committee Meeting of the



**Adelaide
Plains
Council**

Pursuant to the provisions of section 88 (1) of the
Local Government Act 1999

HELD IN

**Council Chambers
Old Port Wakefield Road
Two Wells**

on

Friday, 17 February 2017

A handwritten signature in blue ink, located in the bottom right corner of the page.

The Chairman formally declared the meeting open at 10.30 am

1. ATTENDANCE

1.1 Present

Chairman John Comrie
Mr Peter Fairlie-Jones
Mayor A J (Tony) Flaherty OAM
Cr Stephen Jones

Also in attendance for the meeting:

General Manger – Finance & Economic Development	Mr Rajith Udugampola
General Manager – Infrastructure	Mr Martin Waddington
General Manager – Governance & Communications	Ms Sheree Schenk
Minute Secretary	Ms Andrea Humphrys

1.2 Apologies

Cr Melville Lawrence

1.3 Not Present / Leave of Absence

Nil

2. CONFIRMATION OF MINUTES

2.1	Committee Resolution	2017/ 001
	Moved Mayor Flaherty Seconded Peter Fairlie-Jones	
	“that the minutes of meeting held on Thursday 15 December 2016 (MB Folios 34 to 37, inclusive), be accepted as read and confirmed.”	
		CARRIED

3. BUSINESS ARISING

3.1 No Business Arising

4. REPORTS

4.1 Rate Revenue and Employee Numbers

	Committee Resolution	2017/ 002
	Moved Cr Jones Seconded Peter Fairlie-Jones	
	“that the Audit Committee, having considered Item 4.1 - <i>Rate Revenue and Employee Numbers</i> , dated 17 February 2017,	
	<ol style="list-style-type: none"> 1. receives and notes the report; 2. notes that it appears that Adelaide Plains Council staffing is not low in comparison to other councils; 	



3. Requests a further report be provided to the Audit Committee considering factors such as:-

- suitability of comparative councils;
- analysis of comparability of key differences of services provided and methods of delivery (e.g. activities undertaken by contract);
- inside and outside staff numbers;
- difference in service levels (operational and environmental factors including growth); and
- opportunities for productivity improvement.”

CARRIED

4.2 2017/2018 Annual Business Plan, Budget and 2018-2027 Long Term Financial Plan Development Framework

Committee Resolution

2017/ 003

Moved Peter Fairlie-Jones Seconded Mayor Flaherty

“that the Audit Committee having considered Item 4.2 – *2017/2018 Annual Business Plan, Budget and 2018-2027 Long Term Financial Plan Development Framework*, dated 17 February 2017:-

1. supports the following budget parameters and assumptions for consideration in the preparation of draft 2017/2018 Annual Business Plan and Budget:-

- The Recurrent Operating Budget be prepared based on “business as usual”;
- Maximum Material, Contracts and Other Expenses cost escalation be set at 2.60% in the absence of any other reliable way of estimating “Materials, Contracts and Other Expenses”;
- Wages and Salaries increases to be determined following the finalisation of a new Enterprise Bargaining Agreements;
- Fees and charges not set by Legislation and decided by the Council be increased by 2.60% at a minimum;
- New Capital Projects to be considered and approved within the constraints of the Long Term Financial Plan (LTFP);
- New services and one off projects to be funded through Rate Revenue increases, grants or by expenditure savings;
- New capital projects are funded through a mixture of rate

increases, expenditure savings, grant funding and borrowings;

- Council continue to review its operations to identify costs savings and productivity improvements, and

2. Draft Annual Business Plan for 2017/2018 and an updated LTFP be presented to the Audit Committee prior to adoption by Council.”

CARRIED

4.3 Audit for Year Ending 30 June 2016 – Management Letter

Committee Resolution

2017/ 004

Moved Peter Fairlie-Jones Seconded Mayor Flaherty

“that the Audit Committee, having considered Item 4.3 - *Audit for Year Ending 30 June 2016 - Management Letter*, dated 17 February 2017, receives and notes the report and advice from the General Manager Finance and Economic Development, and in particular notes:-

1. that Council has received a qualified audit report for its financial statements for 2015-2016, as a result of concerns regarding reconciliation of fixed assets and that staff will address this matter with the objective of receiving an unqualified report for 2016-2017;
2. that Council has received an unqualified audit reporting regard to its Internal Controls. Some concerns were identified and reported and staff will progressively address these throughout 2016-2017; and
3. Items to be included on the updated Works Program regarding progression of the above.”

CARRIED

4.4 Audit Committee Resolutions

Committee Resolution

2017/ 005

Moved Peter Fairlie-Jones Seconded Cr Jones

“that the Audit Committee, having considered Item 4.4 – *Audit Committee Resolutions*, dated 17 February 2017, receives and notes the report.”

CARRIED

5. **CONFIDENTIAL ITEMS**

No Confidential Items

6. **GENERAL BUSINESS**

- 6.1 **Committee Resolution** **2017/ 006**
 Moved Cr Jones Seconded Peter Fairlie-Jones
 "that an updated Work Program be included on the next Audit Committee Agenda."
CARRIED

- 6.2 **Committee Resolution** **2017/ 007**
 Moved Mayor Flaherty Seconded Cr Jones
 "that a brief report be presented to the Audit Committee on Council's policies, processes and performance with regards to the current outstanding rate property debts."
CARRIED

7. **NEXT MEETING**

- 7.1 Monday, 10 April 2017 – time to be confirmed

8. **CLOSURE**

There being no further business, the Chairman declared the meeting closed at 11.45 am.

Confirmed as a true record.

Chairman: 

Date: 10 / 4 / 17