

MINUTES

of the

Audit Committee Meeting

of the



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

HELD

by electronic means

on

Monday 6 April 2020 at 7.00pm



The Chairperson formally declared the meeting open at 7.03pm.

1. ATTENDANCE AND WELCOME

1.1 Present

Mr Alan Rushbrook (Chairperson)

By audio-visual link

Mr Peter Fairlie-Jones

By audio-visual link

Mayor Mark Wasley

By audio-visual link

Deputy Mayor Marcus Strudwicke

By audio-visual link

Councillor Margherita Panella

By audio-visual link

Also in Attendance by audio-visual link

Chief Executive Officer

Mr James Miller

General Manager – Finance and Business

Mr Rajith Udugampola

General Manager – Governance and Executive Office

Ms Sheree Schenk

Manager Governance and Administration/Minute Taker

Ms Alyssa Denicola

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes – Meeting held 10 February 2020

Committee Resolution

Moved Deputy Mayor Strudwicke Seconded Mr Peter Fairlie-Jones **2020/ 017**

“that the minutes of the Audit Committee Meeting held on 10 February 2020 (MB Folios 135 to 141 inclusive), be accepted as read and confirmed.”

CARRIED

3. BUSINESS ARISING

Nil

4. DECLARATION OF MEMBERS' INTERESTS

Nil

5. ADJOURNED BUSINESS

Nil

6. REPORTS FOR DECISION

6.1 COVID-19 Financial Hardship Relief for Ratepayers

Committee Resolution

Moved Deputy Mayor Strudwicke Seconded Mayor Wasley **2020/ 018**

“that the Audit Committee, having considered Item 6.1 – *Coronavirus Financial Hardship Relief for Ratepayers*, dated 6 April 2020, receives and notes the report and in doing so recommends to Council that it implement the following:

- 1. Those impacted by COVID-19 (i.e. through becoming unemployed, underemployed or enduring business closure or financial hardship) may apply to Council for access to the following financial relief:**
 - **No fines or interest charged on overdue rates until 1 November 2020**
 - **Ratepayers can arrange to pay their rates weekly, fortnightly or monthly, based on an amount that suits their budget.**
 - **Ratepayers can postpone the fourth instalment of 2019/20 and the first instalment of 2020/21 up to 1 November 2020 without having to pay any fines or interest**
- 2. Access to the financial hardship relief due to COVID-19 will be granted upon application.”**

CARRIED

6.1 Committee Resolution

Moved Deputy Mayor Strudwicke Seconded Councillor Panella 2020/ 019

"that the Audit Committee, having considered Item 6.1 – COVID-19 Financial Hardship Relief for Ratepayers, dated 6 April 2020 and in consideration of Committee Resolution 2020/018 is satisfied that Council's current low level of borrowings and cash advance facilities via the Local Government Financing Authority will assist with providing a six (6) month postponement of rates and 14 day payment terms for supplier payments without any serious long term financial implications to Council."

CARRIED

6.2 Draft 2020/2021 Budget and Updated Long Term Financial Plan 2021-2030

Committee Resolution

Moved Deputy Mayor Strudwicke Seconded Mr Peter Fairlie-Jones 2020/ 020

"that Audit Committee, having considered Item 6.2 – Draft 2020/2021 Budget and Updated Long Term Financial Plan 2021-2030, dated 6 April 2020, receives and notes the report and in doing so endorses the following principles:

- 1. Despite current economic challenges created by Covid-19 pandemic, financial decisions should be made based on the principle of long-term financial sustainability of the Council;**
- 2. With a 1.89% increase in average rates, Council is expected to make a recurrent budget deficit of \$0.264m in the 2020/2021 Financial Year;**
- 3. The estimated operating deficit from Council's two (2) Community Wastewater Management System (CWMS) is \$0.116m;**
- 4. Council requires a further funding injection of \$0.314m to deliver its Operating Projects;**
- 5. In order to provide the service levels outlined to the community in Council's Infrastructure and Assets Management Plans, Council has to spend \$2.549m on asset renewal in the 2020/2021 Financial Year;**
- 6. Any decision to reduce capital spending in 2020/2021 from the required level of \$2.549m, may result in intergenerational inequity where the future generation of rate payers has to pay for the use of infrastructure assets by the current generation of rate payers; and**
- 7. In recognition of both the current economic circumstances and of the benefits which can be derived from a planned infrastructure program the additional new capital expenditure added to the capital works program be removed and the new capital expenditure be bought to an amount more consistent with the current Long Term Financial Plan**
- 8. That accuracy prevails in the setting of the Mallala CWMS annual service charge and that Council be provided with further analysis in this space prior to considering its draft 2020/2021 Annual Business Plan and Budget."**

CARRIED

Committee Resolution

“that the Audit Committee, having considered Item 6.3 – *Update on Audit Committee Annual Work Program 2019-2020*, dated 6 April 2020, receives and notes the report and in doing so recommends to the Council that the Council acknowledges the progress made to complete the activities identified for Audit Committee during 2019/2020 Financial Year.”

7. REPORTS FOR INFORMATION

Committee Resolution

“that the Audit Committee, having considered Item 7.1 – *Committee Resolutions*, dated 6 April 2020, receives and notes the report.”

7.2 Risk Management Progress Update

Committee Resolution

“that Audit Committee, having considered Item 7.2 – Risk Management System Update, dated 6 April 2020 , receives and notes the report.”

7.3 Financial Performance of the Council for the Nine Months ending 31 March 2020

Committee Resolution

“that the Audit Committee, having considered Item 7.3 – *Financial Performance of the Council for the Nine Month ending 31 March 2020*, dated 6 April 2020, receives and notes the report.”

8. GENERAL BUSINESS

9. NEXT MEETING

Audit Committee Meeting



10. CLOSURE

There being no further business, the Chairperson declared the meeting closed at 8.28pm.

Confirmed as a true record.

Chairperson:.....

Date: 10 / 6 / 2020