

MINUTES

of the

Audit Committee Meeting

of the



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

HELD IN

Council Chamber
Redbanks Road
Mallala

on

Monday 10 February 2020 at 4.30pm

The Chairperson formally declared the meeting open at 4.30pm.

1. ATTENDANCE AND WELCOME

1.1 Present

Mr Alan Rushbrook (Chairperson)

Mr Peter Fairlie-Jones

Mayor Mark Wasley

Deputy Mayor Marcus Strudwicke

Councillor Margherita Panella

Also in Attendance

Chief Executive Officer

General Manager – Finance and Business

General Manager – Development and Community

Manager Governance and Administration

Administration and Executive Support Officer/Minute Taker

Mr James Miller

Mr Rajith Udugampola

Mr Robert Veitch

Ms Alyssa Denicola

Ms Stacie Shrubsole

1.2 Apologies/Not Present:

Nil

2. CONFIRMATION OF MINUTES

2.1 Confirmation of Minutes – Meeting held 4 November 2019

Committee Resolution

Moved Mr Peter Fairlie-Jones Seconded Mayor Wasley **2020/ 001**

“that the minutes of the Audit Committee Meeting held on 4 November 2019 (MB Folios 129 to 134 inclusive), be accepted as read and confirmed.”

CARRIED

3. BUSINESS ARISING

Nil

4. ADJOURNED BUSINESS

Nil

5. DECLARATION OF MEMBERS’ INTERESTS

Nil

6. REPORTS FOR DECISION

6.1 2020/2021 Annual Business Plan, Budget and 2021-2030 Long Term Financial Plan Development Framework

Committee Resolution

Moved Councillor Panella Seconded Mr Peter Fairlie-Jones **2020/ 002**

“that the Audit Committee, having considered Item 6.1 – 2020/2021 Annual Business Plan, 2020/2021 Budget and 2021-2030 Long Term Financial Plan Development Framework, dated 10 February 2020, receives and notes the report and in doing so:-

- 1. Endorses in principle the schedule set out in Table 1 as the process to be undertaken in the preparation of the 2020/2021 Annual Business Plan, 2020/2021 Budget and 2021-2030 Long Term Financial Plan; and**
- 2. Endorses the following budget parameters and assumptions in principle for the purpose of preparing the draft 2020/2021 Annual Business Plan and Budget.**
 - The Recurrent Operating Budget be prepared based on “business as usual” basis;**
 - Maximum Material, Contracts and Other Expenses cost escalation be set at 2.32% in the absence of any other reliable way of estimating “Materials, Contracts and Other Expenses”;**
 - Salaries and wages to be determined as per the outcome of the Enterprise Bargaining Agreement negotiations and additional budget bids by Management;**
 - Fees and charges not set by legislation and decided by the Council be increased by 2.32% as a minimum;**

- **New Capital Projects to be considered and approved within the constraints of the LTFP;**
- **New services and one off projects to be funded through Rate Revenue increases or by expenditure savings;**
- **New capital projects are funded through a mixture of rate increases, expenditure savings, new grant funding and long term borrowings; and**
- **Council will continue to review its operations to identify costs savings and productivity improvements.”**

CARRIED

6.1 Committee Resolution

Moved Mayor Wasley Seconded Mr Peter Fairlie-Jones 2020/ 003

“that the Audit Committee, recommend that Council give consideration to undertaking a review of the rating strategy in 2020 with the view of implementing any significant changes in 2021/2022 Annual Business Plan and budget development.”

CARRIED

6.2 Appointment of External Auditors for 2019-2020 Financial Year

Committee Resolution

Moved Deputy Mayor Strudwicke Seconded Mr Peter Fairlie-Jones 2020/ 004

“that the Audit Committee, having considered Item 6.2 – *Appointment of External Auditors for 2019-2020 Financial Year*, dated 10 February 2020, receives and notes the report and in doing so recommend to the Council that it authorise the Chief Executive Officer to extend the contract for the provision of audit service with Bentleys SA Pty Ltd by one (1) year to include audit of 2019/2020 Financial Year.”

CARRIED

6.3 Update on Audit Committee Annual Work Program 2019-2020

Committee Resolution

Moved Councillor Panella Seconded Mayor Wasley 2020/ 005

“that the Audit Committee, having considered Item 6.3 – *Update on Audit Committee Annual Work Program 2019-2020*, dated 10 February 2019, 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.”

CARRIED



6.4 Policy Review – Budget Management Policy

Committee Resolution

Moved Mr Peter Fairlie-Jones Seconded Deputy Mayor Strudwicke 2020/ 006

“that Audit Committee, having considered Item 6.4 – Policy Review – Budget Management Policy, dated 10 February 2020, receives and notes the report and in doing so recommends to Council that it adopt the Budget Management Policy as presented in Attachment 1, subject to the insertion of the words “...and Council” to follow the words “Audit Committee” under item 3.1 Budget Update Reporting and Mid-Year Budget Review.”

CARRIED

6.5 Policy Review – Funding Policy

Committee Resolution

Moved Deputy Mayor Strudwicke Seconded Mayor Wasley 2020/ 007

“that the Audit Committee, having considered Item 6.5 – Policy Review – Funding Policy, dated 10 February 2020, receives and notes the report and in doing so recommends to Council that it adopt the Funding Policy as presented in Attachment 1.”

CARRIED

6.6 Policy Review – Prudential Management Policy

Committee Resolution

Moved Mayor Wasley Seconded Councillor Panella 2020/ 008

“that Audit Committee, having considered Item 6.6 – Review of Prudential Management Policy, dated 3 February 2020, receives and notes the report and in doing so recommends to Council that it adopt the Prudential Management Policy as presented in Attachment 1.”

CARRIED

6.7 Policy Review – Treasury Management Policy

Committee Resolution

Moved Councillor Panella Seconded Mr Peter Fairlie-Jones 2020/ 009

“that Audit Committee, having considered Item 6.7 – Policy Review – Treasury Management Policy, dated 10 February 2020, receives and notes the report and in doing so recommends to the Council that it adopt the proposed Treasury Management Policy as presented as Attachment 1 to this report subject to the Chief Executive Officer making the necessary requirements to the definition of “bank” and government guarantees prior to Council considering the draft policy.”

CARRIED

6.8 Policy Review – Rates Arrears and Debtor Management Policy

Committee Resolution

| | | | | |
|-------|--------------|----------|--------------------|-----------|
| Moved | Mayor Wasley | Seconded | Councillor Panella | 2020/ 010 |
|-------|--------------|----------|--------------------|-----------|

“that Audit Committee, having considered Item 6.8 – Policy Review – Rates Arrears and Debtor Management Policy, dated 10 February 2020, receives and notes the report and in doing so recommends to the Council that it adopt the Rates Arrears and Debtor Management Policy as presented as Attachment 1 to this Report subject to the level of delegations under item 4.4 being reduced to \$500 to the General Manager – Finance and Business and \$1,000 to the Chief Executive Officer.”

CARRIED

7. REPORTS FOR INFORMATION

7.1 Committee Resolutions

Committee Resolution

| | | | | |
|--------------|---------------------------|-----------------|-------------------------------|------------------|
| Moved | Councillor Panella | Seconded | Mr Peter Fairlie-Jones | 2020/ 011 |
|--------------|---------------------------|-----------------|-------------------------------|------------------|

“that the Audit Committee, having considered Item 7.1 – *Committee Resolutions*, dated 10 February 2020, receives and notes the report.”

CARRIED

7.2 Update on Overdue Council Rates

Committee Resolution

| | | | | |
|-------|--------------|----------|--------------------|-----------|
| Moved | Mayor Wasley | Seconded | Councillor Panella | 2020/ 012 |
|-------|--------------|----------|--------------------|-----------|

“that Audit Committee, having considered Item 7.2 – *Update on Overdue Council Rates*, dated 10 February 2020, receives and notes the report.”

CARRIED

7.3 Accounting Treatment of Council's Investment in the Gawler River Floodplain Management Authority

Committee Resolution

| | | | | |
|-------|--------------------|----------|------------------------|-----------|
| Moved | Councillor Panella | Seconded | Mr Peter Fairlie-Jones | 2020/ 013 |
|-------|--------------------|----------|------------------------|-----------|

“that the Audit Committee, having considered Item 7.3 – Accounting Treatment of Council’s Investment in the Gawler River Floodplain Management Authority, dated 10 February 2020, receives and notes the report.”

CARRIED

7.4 Public Interest Disclosure Act 2018

Committee Resolution

| | | | | |
|-------|--------------|----------|-------------------------|-----------|
| Moved | Mayor Wasley | Seconded | Deputy Mayor Strudwicke | 2020/ 014 |
|-------|--------------|----------|-------------------------|-----------|

“that the Audit Committee, having considered Item 7.4 – *Public Interest Disclosure Act 2018*, dated 10 February 2020, receives and notes the report.”

CARRIED

7.5 Audit Committee Self-Evaluation Survey Results

Committee Resolution

| | | | | |
|-------|--------------|----------|--------------------|-----------|
| Moved | Mayor Wasley | Seconded | Councillor Panella | 2020/ 015 |
|-------|--------------|----------|--------------------|-----------|

“that the Audit Committee, having considered Item 7.5 – *Audit Committee Self-Evaluation Survey Results*, dated 10 February 2020, receives and notes the report.”

CARRIED

8. CONFIDENTIAL ITEMS

Nil

9. GENERAL BUSINESS

9.1 Committee Resolution

| | | | | |
|-------|--------------------|----------|-------------------------|-----------|
| Moved | Councillor Panella | Seconded | Deputy Mayor Strudwicke | 2020/ 016 |
|-------|--------------------|----------|-------------------------|-----------|

“that the Audit Committee, recommend to Council that a report be prepared reviewing the adequacy of current Council policies in light of the recent Ombudsman reports on credit card and travel expenditure.”

CARRIED

10. NEXT MEETING

Monday 6 April 2020 at 4.30pm

11. CLOSURE

There being no further business, the Chairperson declared the meeting closed at 5.55pm.

Confirmed as a true record.

Chairperson:.....

Date: 6 / 4 / 2020

