

Audit Committee Minutes

**28 October 2019 at 6.00 pm
Council Chamber
401 Greenhill Road, Tusmore**

Members Present: Mr David Powell - Chair (Independent)
Mayor Anne Monceaux
Councillor Harvey Jones
Councillor Lilian Henschke

Guests: Samantha Creten, Dean Newbery and Partners

Apologies

Mr Stephen Coates

Mr Barry Cant

Leave of Absence

Nil

Confirmation of Minutes

Recommendation

A4173

That the Minutes of the Audit Committee meeting held on 19 August 2019 be taken as read and confirmed.

Moved Councillor Henschke, Seconded Councillor Jones

CARRIED

There were no conflicts of interest identified by any Members present.

Action List Review and Policy Tracking Table (For Noting)

The Committee requested that the Strategic Plan review be presented to the Audit Committee in advance of Council. The Group Manager Finance and Governance suggested that this would likely be in March / April 2019.

Policy Tracking Table – to be presented at future meeting .

Action List Review – Noted

Register of Registers (4.1) – Noted

Motion

A4174

That the above be received and noted, including the request regarding presentation of the Strategic Management Plan.

Moved Mayor Monceaux, Seconded Councillor Jones

CARRIED

OPEN DISCUSSION

External Auditors – Samantha Creten in attendance.

The meeting moved into a closed in camera informal session. No staff were present.

Formal meeting procedures and protocols resumed at 6.26pm.

Reports of Officers

Independence of Council Auditor (5.1)

The 'Audit completion Report – Financial Year Ended 30 June 2019' authored by Dean Newbery and Partners was tabled at the meeting.

Motion

A4175

1. That the Report be received.
2. That the Audit Committee endorse the Presiding Member of the Audit Committee, together with the Acting Chief Executive Officer, to authorise the Certification of Auditor Independence to be included with the Annual Financial Statements for the year ended 30 June 2019.

Moved Mayor Monceaux, Seconded Councillor Jones

CARRIED

Report on Financial Results 2018/19 (5.2)

Motion

A4176

That the Report be received.

Moved Mayor Monceaux, Seconded Councillor Henschke

CARRIED

First Quarter (Q1) 2019/20 Budget Update (5.3)

Motion

A4177

1. That the Report be received.

2. That the First Quarter (Q1) Forecast (full year) with the following proposed changes be presented to the 12 November 2019 meeting of Council for consideration.
 - 2.1 Operating Income net decrease of \$5,402;
 - 2.2 Operating Expenditure net decrease of \$320,139;
 - 2.3 Capital Revenue net increase of \$220,904;
 - 2.4 Capital Expenditure net increase of \$121,833;
 - 2.5 Net Operating Surplus net increase of \$314,737; and
 - 2.6 That Council's savings target for the 2019/20 year be increased from \$370k to \$800k.

Moved Mayor Monceaux, Seconded Councillor Jones

CARRIED

Regional Subsidiary Financial Update – 2019/20 Draft Budget for Brownhill Keswick Creek (BHKC) (5.4)

Motion

A4178

1. That the Report be received.
2. That the Director BHKC be invited to present to the November 2019 Audit committee meeting on the following, prior to the endorsement of the draft 2019/20 Budget and submission to Council:
 - 2.1 present on the asset ownership position paper;
 - 2.2 answer questions of the Audit Committee in relation to a reconciliation of capital expenditure to the assets recognized on the budgeted balance sheet;
 - 2.3 treatment of capital projects undertaken before the regional subsidiary was established;
 - 2.4 a breakdown of employee costs and board fees; and
 - 2.5 any other questions relevant to the draft Budget.

Moved Mayor Monceaux, Seconded Councillor Henschke

CARRIED

2018/19 Draft Annual Report (5.5)

A revised set of notes was tabled relating to Report Attachment B allowing for new/revised information regarding Heritage and Cultural Assets.

Motion

A4179

1. That the Report be received.
2. That following the addition of any amendments identified by Audit Committee Members or the Administration, the draft City of Burnside 2018/19 Annual Report be

submitted to Council at the 12 November 2019 meeting for consideration and adoption.

3. That the Audit Committee acknowledge the efforts of the Administration finance team in preparing the financial statements and the quality and transparency of their presentation for 2018/2019.

Moved Mayor Monceaux, Seconded Councillor Jones

CARRIED

ERA Water (Standing Item)

Verbal Update

Confidential Items

Nil (Service Level Review Street Cleaning to be presented at 18 November 2019 meeting)

Other Business

Forward Program

Noted

Correspondence

The Chair advised the Committee that he had provided personal comments to the Administration on the local government reform papers currently disseminated for feedback. These were largely centered on financial responsibility and accountability areas and the role and composition of Audit Committees. The General Manager Corporate and Development advised he would circulate the commentary to all Members.

Date of Next Meeting

The Audit Committee will convene on the 18 November 2019.

Closure

The meeting concluded at 8.03pm.

Minutes confirmed this day of 2019

Chairperson