

MINUTES OF THE AUDIT COMMITTEE MEETING
HELD ON MONDAY 25 MAY 2020 AT 11.04 AM IN THE COUNCIL CHAMBER

PRESENT: Mr A Rushbrook (*Chair*), Mayor C McLaughlin, Crs S Stuppos, D Knox,
Mr P Klobucar

OBSERVERS: Acting Chief Executive Officer (*Mr K Clark*)
Director Corporate (*Ms R Dunstall*)
Corporate Strategy Business Partner (*Mrs L Watson*)
Business Planning Manager (*Mr G Jennings*)
Manager Information Systems (*Mr D Poyner*)
Consultant (*Ms K Jarrett*)
Executive Assistant (*Mrs M Armstrong*)

1. Attendance Record

Apologies – Mrs S Vigar
Leave of Absence – Nil

2. Declaration of Members' Conflict of Interests – Nil

3. Minutes of Previous Meeting

3.1 Confirmation of the Minutes of the Audit Committee Meeting held on Monday 3 February 2020

Moved Cr Stuppos, seconded Cr Knox

AC258-2020

That the Minutes of the Audit Committee Meeting held on Monday 3 February 2020, as per copies supplied to Members, be adopted as a true and correct record to that meeting.

Carried

4. Deputations/Presentations – Nil

5. Reports – Council Officers

5.1 Corporate – Ordinary Reports

5.1.1 Risk Management Action Plan

Moved Cr Knox, seconded Mr Klobucar

AC259-2020

That the Audit Committee:

1. receive and note the Risk Management Action Plan report under reference, including:
 - a. the draft Risk Management Policy, as attached at Annexure “B”;
 - b. the draft Risk Management Framework, as attached at Annexure “C”; and
 - c. the Draft Council Ready Action Plan, as attached at Annexure “D”.

Carried

5.1.2 Quarterly Report – Procurement Department

Moved Mr Klobucar, seconded Cr Knox

AC260-2020

That the Audit Committee receive and note Procurement Quarterly report.

Carried

5.1.3 External Auditor Tender Evaluation

Moved Cr Knox, seconded Mayor McLaughlin

AC261-2020

That the Audit Committee recommend to Council to award the tender for the provision of financial audit services, for a period of five years, to Dean Newbery and Partners.

Carried

5.1.4 *Budget Review 2019/20 Quarter 3*

Moved Cr Knox, seconded Mayor McLaughlin

AC262-2020

That the Audit Committee:

1. recommend the Budget Review, identifying an adjusted operating deficit of \$635,000 and an estimated cash position at end of reporting period of \$248,000, be submitted to Council for adoption; and
2. the 2019/20 Annual Business Plan and Budget and Long Term Financial Plan be amended to reflect the variances.

Carried

5.1.5 *Adjusted Budget 2020/21 Process*

Moved Mayor McLaughlin, seconded Mr Klobucar

AC263-2020

That the Audit Committee recommend to Council:

1. that, in accordance with the provisions of the Annual Business Plans and Strategic Planning Notice (No.4) 2020, the 2020/21 Budget and Annual Business Plan of Council, is proposed to be adopted in September 2020;
2. pending the adoption of the 2020/21 Budget, Council approves the expenditure of Council funds on the works, services and operations of the Council, identified within Annexure "A";
3. the Acting Chief Executive Officer is authorised to expend Council's funds approved in paragraph 2 of this resolution, in accordance with the terms of this approval in Annexure "A", as the Acting Chief Executive Officer thinks fit;
4. the Acting Chief Executive Officer may authorise such other employees of Council to expend funds approved in paragraph 2 of this resolution, in accordance with the terms of this approval in Annexure "A", as the Acting Chief Executive Officer thinks fit; and
5. existing Cash Advance Debenture facilities be utilised to fund required cashflows in line with the Treasury Management Policy.

Carried

5.1.6 *Draft Fees and Charges Register 2020/21*

Moved Cr Knox, seconded Mayor McLaughlin

AC264-2020

That the Audit Committee recommend to Council, that the Draft Fees and Charges Register 2020/21, be adopted.

Carried

5.1.7 *New Loan Facility and Treasury Management Policy Review*

Moved Cr Stuppos, seconded Cr Knox

AC265-2020

That the Audit Committee recommend to Council:

1. to endorse the establishment of an additional \$14 million borrowing facility, to be utilised in line with approved budgets;
2. arrange this facility with the Local Government Finance Authority in the form of a Cash Advance Debenture with a term of 10 years;
3. that the Mayor and Acting Chief Executive Officer be authorised to sign and seal all necessary documents; and
4. endorse the updated Treasury Management Policy.

Carried

5.1.8 *Credit Card Management and Use – Auditor-General Report*

Moved Cr Knox, seconded Cr Stuppos

AC266-2020

That the Audit Committee:

1. receive the Credit Card Management and Use – Auditor-General Report; and
2. recommend to Council, that the Credit Card Policy be released for public consultation in accordance with Councils' Public Consultation Policy.

Carried

5.1.9 Auditor Correspondence – LATE ITEM

Moved Cr Stuppos, seconded Cr Knox

AC267-2020

That the Audit Committee receive and note the Auditor's Interim Audit Correspondence report.

Carried

6. Consideration of Confidential Items

6.1 Corporate

6.1.1 2019 Cyber Security Assessment – **CONFIDENTIAL**

Moved Mayor McLaughlin, seconded Cr Knox

AC268-2020

Pursuant to Section 90(2) of the Local Government Act 1999, the Council orders that the public be excluded from the meeting with the exception of Kristen Clark; Acting Chief Executive Officer, Robyn Dunstall; Director Corporate, Laura Watson; Corporate Strategy Business Partner, Grant Jennings; Business Performance Manager, David Poyner; Manager Information Systems, Kathy Jarrett; Consultant and Michelle Armstrong; Executive Assistant for Agenda Item 6.1.1 – 2019 Cyber Security Assessment.

The Council is satisfied that, pursuant to Section 90(3)(e) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is related to matters affecting the security of the Council, Council property and employees in that details of the process attached to the security of Council's technology services will be discussed.

The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because of the security risk to Council's information technology services if the abovementioned details are disclosed publicly.

Carried

Moved Mayor McLaughlin, seconded Cr Knox

AC270-2020

That having considered Agenda Item 6.1.1 – 2019 Cyber Security Assessment in confidence under Section 90(2) and (3)(e) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that all documents be retained in confidence and reviewed in the next review of Council's confidential orders.

Carried

Moved Cr Stuppos, seconded Mayor McLaughlin

AC271-2020

That the Audit Committee move out of Confidential and resume the Ordinary Meeting.

Carried

5.1 Corporate – Ordinary Reports (*continued*)

5.1.10 Audit Committee Work Plan

Moved Cr Stuppos, seconded Mayor McLaughlin

AC272-2020

That the Audit Committee receive and note the Work Plan.

Carried

7. Closure – 12.41 pm

8. Date of Next Meeting – July 2020