

SHIRE OF KOJONUP

Kojonup



MINUTES

Audit Committee Meeting

2 August 2016

SHIRE OF KOJONUP
MINUTES OF THE AUDIT COMMITTEE MEETING
HELD ON 2 AUGUST 2016

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MINUTES

1 DECLARATION OF OPENING AND ANNOUNCEMENT OF GUESTS

The Presiding Member declared the meeting opened at 9.02 am and alerted the meeting of the procedures for emergencies including evacuation, designated exits and muster points. Cr Mathwin welcomed Roger House to the Audit Committee and thanked him for taking on the role.

2 ATTENDANCE, APOLOGIES & LEAVE OF ABSENCE

Members

Cr Jill Mathwin (Presiding Member)

Cr Judith Warland (from 9.04)

Cr Ian Pedler

Cr Ned Radford

Mr Roger House

Staff (Observers)

Mr Anthony Middleton Manager of Corporate Services

Mrs Heather Marland Senior Finance Officer

Mrs Marina Murray Senior Horticultural Officer

3 PUBLIC QUESTION TIME

Nil

4 SUMMARY OF RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE

Nil

5 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

6 CONFIRMATION OF MINUTES

AUDIT COMMITTEE MEETING held 3 May 2016

AUDIT COMMITTEE DECISION

12/16 Moved Cr Warland, seconded Cr Pedler that the Minutes of the Audit Committee Meeting held on 3 May 2016 be confirmed as a true record.

CARRIED

5/0

7 DECLARATIONS OF INTEREST

Nil

8 VISITORS/GUESTS

Mrs Marina Murray, Senior Horticultural Officer briefed the Committee members on the cost saving measures she is undertaking, as follows:

- Installing hand dryers in Apex park to reduce cost of paper towels, will also be looking at other venues such as the Complex and Kodja Place.
- Have purchased and will maintain our own Sanitary bins and Urinal Scales estimated saving off \$5,300 per year.
- Looking at disposing of our own sharps receptacles, but the shire needs our own license.
- Propagating and growing own plants.

9 AUDIT COMMITTEE TIMETABLE

As a guide and subject to availability, each Audit Committee agenda for each quarter will contain the following (list to be expanded at the suggestion of members):

1st Quarter (January – March)

- Committee Status Report
- Compliance Audit Return
- Review of Risk Registers

2nd Quarter (April – June)

- Committee Status Report
- Review of Risk Registers
- Fees & Charges Review
- Business Continuity Plan Review
- Leave Provision Adequacy

3rd Quarter (July – September)

- Committee Status Report
- Interim Audit Report
- Financial Management Review (each 4 years – 2014, 2018...)
- Review of Risk Registers

4th Quarter (October – December)

- Committee Status Report
- Audit Report & Management Letter
- Annual Financial Report
- Annual Report
- Risk, Legal Compliance & Internal Controls review (each 2 years – 2014, 2016...)
- Review of Risk Registers

OFFICER COMMENT

The above list will remain at the commencement of each Committee Agenda to act as a timetable and enable members to add to the items to be considered.

10 REPORTS**10.1 STATUS REPORTS****10.1.1 COMMITTEE STATUS REPORT**

Date	Item Number & Title	Issue	Response	Status
16 September 2014	9.3 Fuel Cards	That fuel cards be considered whilst compiling the credit card policy.	Credit Card Policy has been adopted by the Council. Further investigation required into Fuel cards.	Ongoing
16 September 2014	11. Committee Membership	To investigate inclusion of an additional community member onto the audit committee (6th Member).	To be considered by the Committee and/or Council	Ongoing
4 August 2015	9.1 Audit Contract	Any new audit contract should include major project, roads to recovery and Springhaven Lodge acquittals	Tender completed – Committee recommendation has been to Council and was adopted.	Completed
4 August 2015	9.1 Tendering & Performance Audits	The Committee queried the selection criteria used in tenders and requested that a Draft Council Policy be brought to a future Committee meeting		Ongoing
3 May 2016	10.3. Leave Entitlements & Provisions	A new or revised Council Policy be developed setting the Employee Leave reserve minimum balance equal to: <ul style="list-style-type: none"> • The EBA sick leave liability (clause 29); and • The ‘current’ portion of long service leave liability; To be implemented over four financial years to lessen the financial impact	Draft policy to be formulated for the Committee’s consideration.	Ongoing

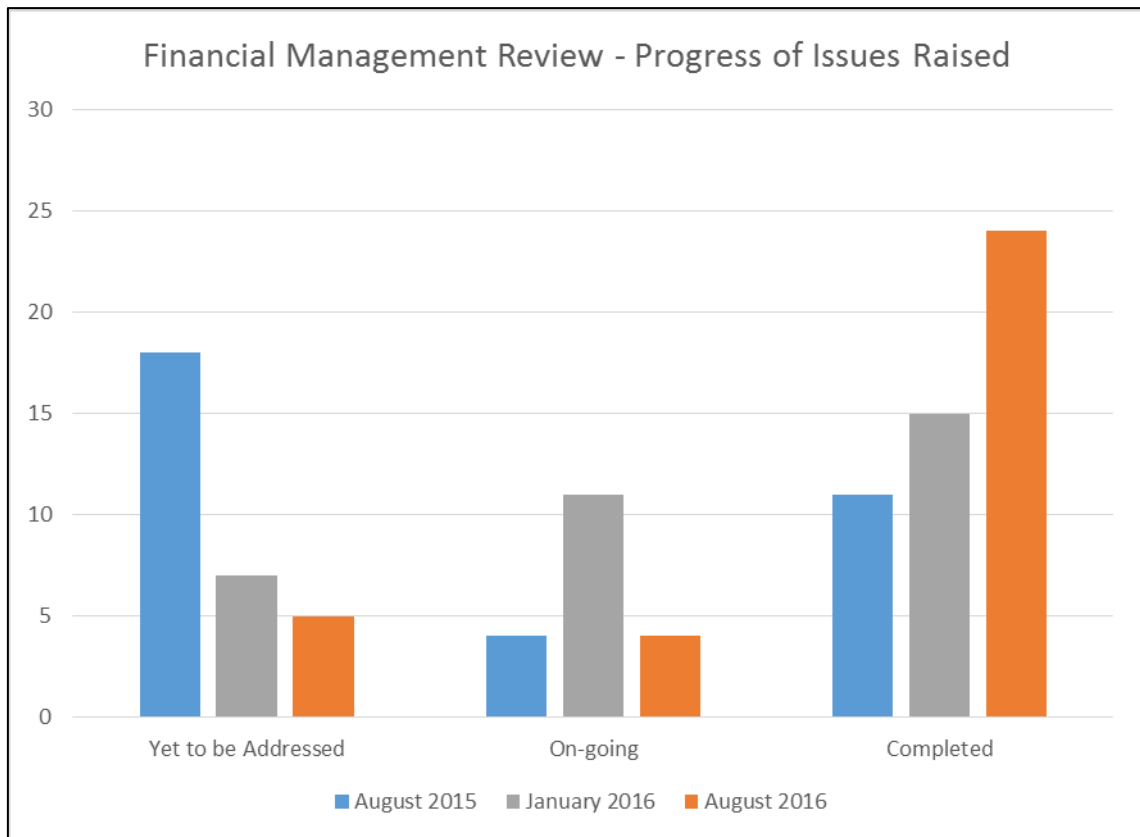
General Discussion took place as follows:

- Fuel cards still on the agenda
- Still looking for another community member to join the Audit Committee
- Tendering – more performance based.
- Leave entitlements and Provisions need to transfer more to reserve account – new policy being developed

10.1.2 FINANCIAL MANAGEMENT REVIEW 2015 STATUS REPORT

Financial Management Reviews are required to be completed every 4 years, action is being taken.

A full copy of the Financial Management Review has previously been circulated and is available for Committee members if required. The review raised thirty three (33) matters and the status of their implementation is as follows:

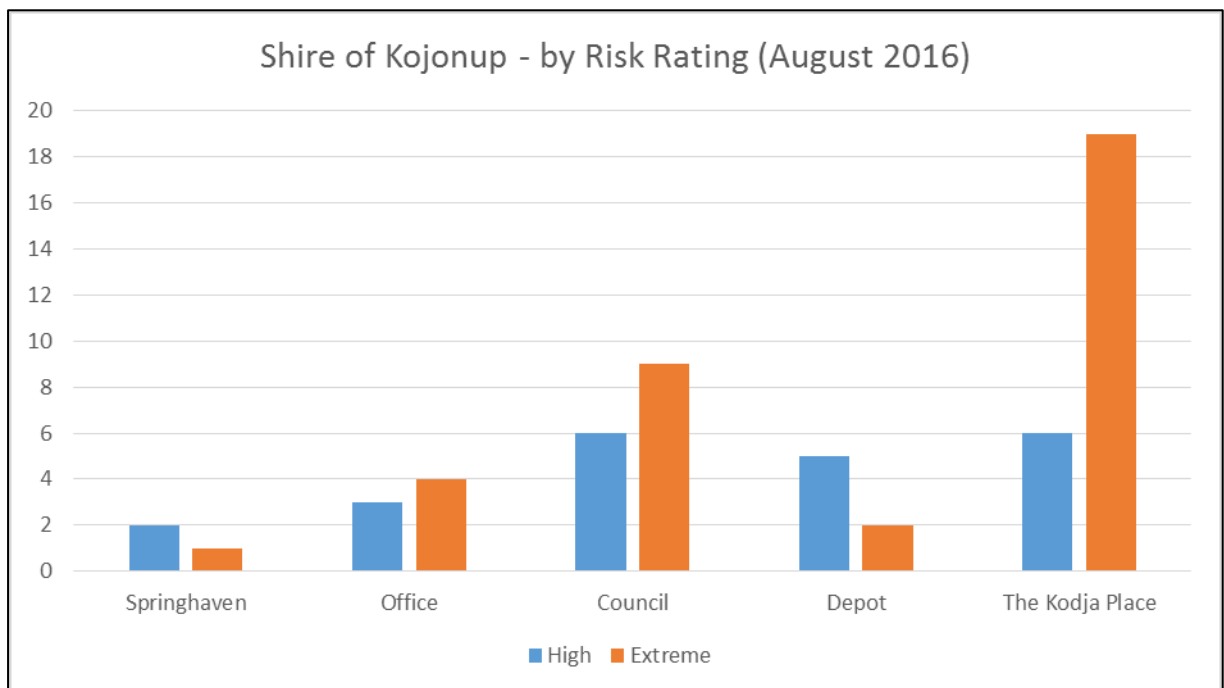
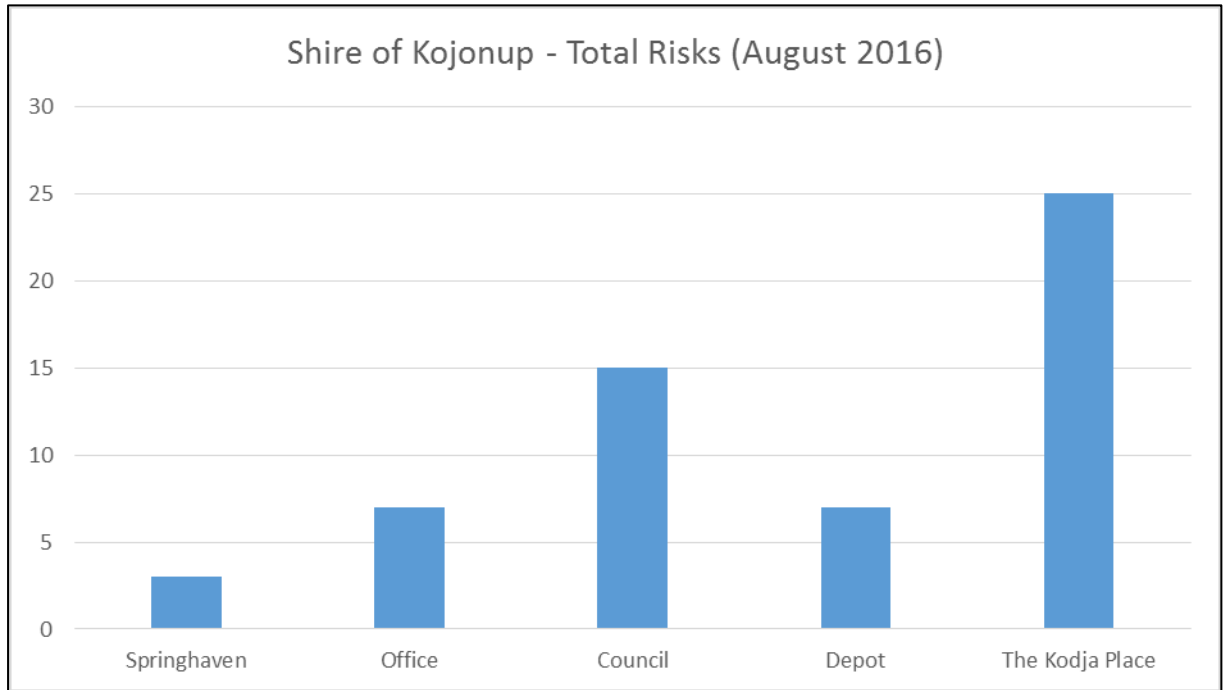


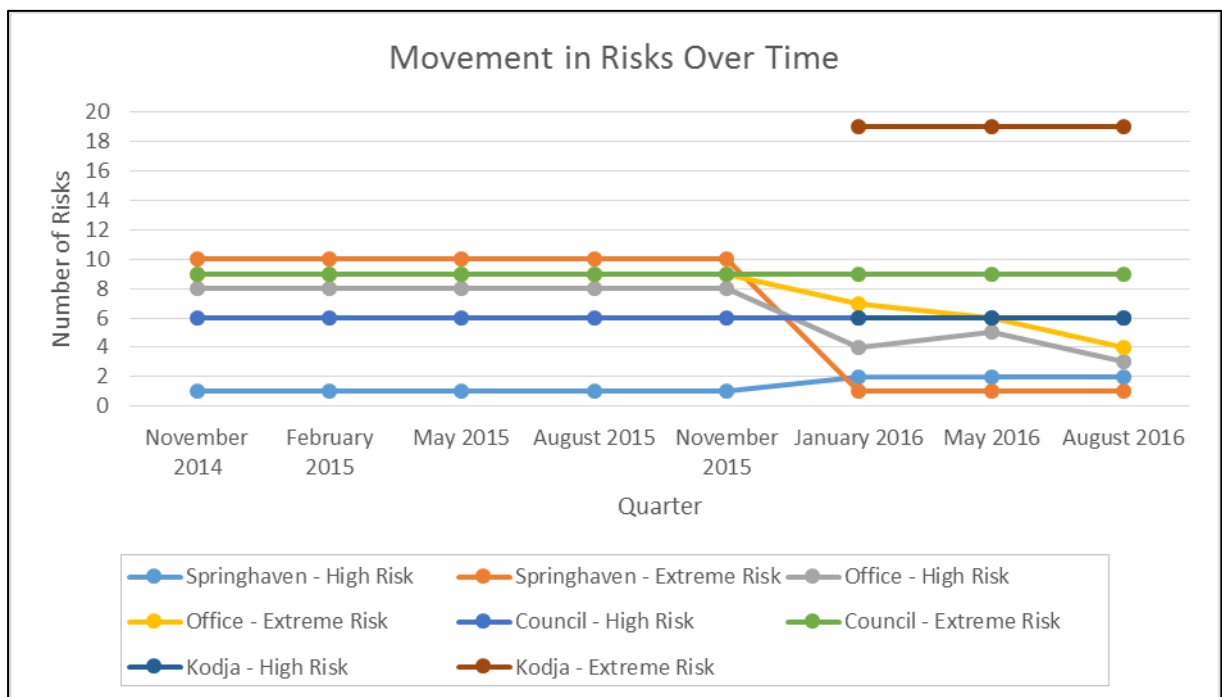
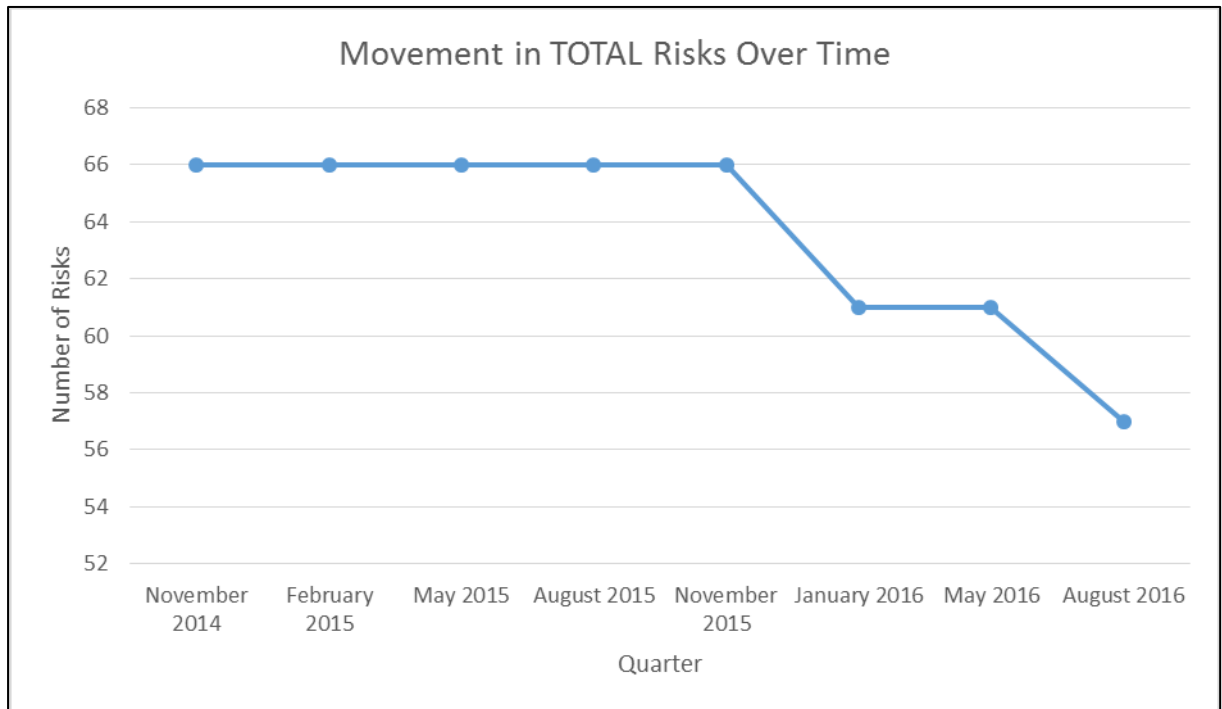
10.1.3 RISK REGISTER

The Risk Management Plan and associated risk registers was adopted by the Council on 16 September 2014. It is therefore appropriate that the Audit Committee consider the major risks in each area and progress made towards minimising them, each quarter. Areas of concern can then be reported to the Council, through the Committee.

Currently office staff are reviewing one risk each fortnight at their staff meeting.

A summary of the risk registers are as follows:





It was noted that the Admin risks had reduced but not the other departments.

The Manager Corporate Services was sure that other areas have been addressed but the register not updated. Roger House suggested that the register be on the agenda for each area’s meetings.

11 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

12 NEW BUSINESS

Cr N. Radford asked about tendering and how many people are involved in the process, especially heavy machinery.

The Manager Corporate Services advised that purchasing of Heavy Plant is usually performed through E-quotes by the Manager Works and Services, the Works Administration Officer, the Works Supervisor or Mechanic. The operator/s of the machines are also consulted.

13 NEXT MEETING

The next ordinary meeting is scheduled for Tuesday, 1 November 2016 at 9:00am.

A meeting will need to be in early October following receipt of the Audit Report for the financial year 2015/2016.

The committee felt that it was useful having the Senior Horticultural Officer address them today and suggested that the Manager of Aged Care Services be invited to address the committee at the next meeting.

14 CLOSURE

There being no further business to discuss, the Presiding Member, Cr Mathwin, thanked the members for their attendance and declared the meeting closed at 10:15am.

15 ATTACHMENTS (SEPARATE)

Nil

Presiding Member

Date