



AUDIT & FINANCE SPECIAL COMMITTEE UNCONFIRMED MINUTES

DATE: Thursday 26th August 2014
VENUE: Rose Garden Room, FAEC, Whitemark
COMMENCING: 12pm

PRESENT:

Deputy Mayor David Williams	Chair
Mayor Carol Cox	Council
Raoul Harper	General Manager
Cr Gerald Willis	Council
Sophie Pitchford	Corporate Services Manager
Vacant	Community Representative

APOLOGIES:

Nil

STAFF IN ATTENDANCE:

Vicki Warden Executive Officer (Minute Taker)

CONFIRMATION OF PREVIOUS MINUTES

Moved: Cr G Willis Seconded: Mayor C Cox

That the minutes from the meeting held on the 6th August 2013 are a true record.

CARRIED

Matters arising from the minutes – community representative position vacant - were deferred to the end of the Agenda.

AGENDA

Item 1: Investment Policy

The draft Investment Policy was discussed in detail and the following highlighted changes and decisions were agreed:

6.1 Institutional Credit Framework

'If any of the Council's investments are downgraded such that they no longer fall within the investment policy, they will be divested as soon as practicable. In the case of a

downgrade of an investment, the General Manager is to inform the Mayor immediately of becoming aware of the event.'

6.2 '... from authorised deposit taking institutions and/or investment advisors...The best value quote...'

6.3 Query the definition of an 'independent person' - independent of the investment, or of Council? May need legal advice on the interpretation.

6.3 '...they are not receiving any commissions or other benefits pertaining to the related investments and will not do so in the future.'

8.0 Reporting

'A monthly report summarising investment performance will be provided to Council. A quarterly report detailing the investment portfolio....changes in market value will also be provided to Council.'

Moved: Mayor C Cox Seconded: Cr G Willis

That the revised Investment Policy be taken to Council for consideration.

CARRIED

Item 2: Appointment of Fund Managers

The Committee discussed the possibility of undertaking a due diligence assessment of 3 fund managers to improve the return on Council's investment portfolio. It was recommended that fund managers from national companies be favoured as they have access to the best research.

The Committee authorised the General Manager to supply 6-8 fund managers with a copy of the Investment Policy and the amount of funds Council has to invest, and seek expressions of interest. From this pool, the General Manager will select 3 to be considered by this Committee who will then make a recommendation to Council.

Moved: Cr G Willis Seconded: Mayor C Cox

That this meeting recommends to Council that due diligence on a number of financial advisors be undertaken by the General Manager with the assistance of the Audit and Finance Special Committee with a view to make a recommendation to Council on the most appropriate advisor for investment of Council's surplus funds.

CARRIED

Item 3: 2013-2014 Financial Model

The Committee congratulated staff on submitting the financials to the Auditors on time. The Auditors have asked that adjustments be made to the road valuations and these

adjustments will be lodged by the end of the week. The financials as provided were reviewed and staff were directed to proceed to Audit.

Item 4: Matters Arising - Community Representative needed

The position and the role of the community representative were discussed. A motion was passed at the last ordinary meeting of Council to change the Terms of Reference for the Committee, including the possibility of the community representative becoming the Chair. Given that the role of the community representative has yet to be fully defined, the Committee agreed to wait until after the election to advertise the vacant position.

Meeting Closed at 1.27pm