

**FLINDERS COUNCIL AUDIT PANEL
UNCONFIRMED MINUTES**

DATE: Wednesday 13 December 2017
VENUE: Rose Garden Room, FAEC, Whitemark
COMMENCING: 10.03am

PRESENT

Mark Scanlon	Chair
John Dick	Member
Diana Droog	Member

IN ATTENDANCE

Bill Boehm	General Manager
Vicki Warden	Executive Officer

APOLOGIES

Nil

WELCOME

New Independent Chair to welcome all and provide an opportunity for formal introductions.

DECLARATION OF PECUNIARY INTEREST

Audit Panel members must declare any pecuniary interest.

A Register of Declarations will be created with panel members' interests and the register will be included with each meeting agenda.

ACTION: Mark to provide Vicki with a template to be populated by panel members.

CONFIRMATION OF PREVIOUS MINUTES

Moved: J Dick Seconded: D Droog
That the minutes from the meeting held on the 20 June 2017 are a true record.
CARRIED

ACTION: That in future the Chair will sign all confirmed minutes.

CORRESPONDENCE IN:

NIL

CORRESPONDENCE OUT:

NIL

Noted that the Panel Chair has not been receiving correspondence.

ACTION: Procedures will be put in place to rectify this.

BUSINESS ARISING

Nil

AGENDA ITEMS

1 Local Government Audit Panel Practice Guide

The Local Government Audit Panel Practice Guide represents what is considered to be best practice in the operation of an Audit Panel. Following discussion, it was agreed that this Guide be used as the guide for this panel.

OUTCOME: The Local Government Audit Panel Practice Guide be used as a guide for operation of the Audit Panel.

2 Audit Panel Charter (Draft)

In order to meet the required legislative obligations under the Local Government (Audit Panels) Order 2014 and in light of changes brought about by the composition to the Panel, an amended draft Audit Panel Charter was prepared by Bill, based on the Local Government Audit Panel Practice Guide. The Charter was discussed and some minor changes made.

ACTION: Noted that the Audit Panel adopts the Draft Audit Panel Charter with minor amendments and recommends to Council that Council formally endorse the Audit Panel Charter.

3 Work Plan

The Work Plan prepared by Diana Droog was discussed and members agreed to review the plan at each meeting. The list of policies to be reviewed was later updated as a result of agenda item no. 5.

ACTION: A Revised Work Plan based on the Audit Panel Charter be developed and then used as an operational guide for the Panel to follow.

4 2016/17 Annual Report and Financial Statements

Attachment 4.1 2016/17 Annual Report and Financial Statements

The 2016/17 Annual Report and Financial Statements were discussed.

Diana Droog reported that she had been asked by a community member about the auditor's report and size of the Council operating deficit. It was explained that a brief explanation was provided in the Annual Report as well as the Financial Statement.

FOR INFORMATION

5 Audit Closing Report

The Audit Closing Report and Management Response were considered. As the panel's work plan needs to marry with the Management Response, various policies need to be reviewed with some directly by the Audit Panel. :

ACTION: The following policies were identified as needing to be reviewed by the Audit Panel :

- *Investment;*
- *Waiver of Fees;*
- *Employee Promotion*
- *Drugs and Alcohol;*
- *Rates & Charges*
- *Asset Management;*
- *Employee Outside Work Activities;*
- *Employee Code of Conduct;*
- *Risk Management;*
- *Employee Recruitment and Selection;*
- *Workplace Behaviour;*
- *Work Health Safety;*
- *Fitness for Work; and*
- *Hire of Municipal Halls.*

6 Auditor's Work Plan

Arising out of discussion in relation to the Annual Financial Statements and Auditors Report was the desirability of the Audit Panel reviewing the Auditor's Work Plan, which is usually provided ahead of the formal Audit.

ACTION: When it is received, bring the Audit Work Plan for the current financial year to the next scheduled meeting of the Audit Panel.

7 General Manager's Update Report

The General Manager Bill Boehm welcomed the changes to the Panel's operation and the revised role as outlined.

Bill provided a general update to the Panel on the current financial and governance operations and changes that have been or are in the process of being implemented.

The Corporate Services Manager has been on leave for a number of months so Bill has become more involved with the finances. Consultant Marissa Walters had been assisting Council at the year-end Audit. Minor changes to resourcing have been implemented with one existing part-time position being added to the finance section. Currently looking at ways of improving the presentation of the financial accounts to Council; introducing a quarterly review and allocating the budget to relevant cost centres to the relevant staff members' responsibility for management and oversight.

The organisation is made up of many part-timers who are cross-skilled due to job sharing and undertaking varying roles. Resources overall remain an issue but all are positive with the changes implemented thus far.

Council adopted a revised Rates and Charges Methodology and Policy for 2017/18 which has been introduced at a time of a major revaluation with minimal adverse reaction.

FOR INFORMATION

OTHER BUSINESS

General Manager's Credit Card

Diana reported that she has taken on the role of checking the General Manager's credit card expenses on a quarterly basis. Diana has checked them for this quarter and found the expenses to be reasonable.

FOR INFORMATION

External Auditor Participation

Discussion surrounding the participation with Council's External Auditor.

ACTION: Mark will contact the external auditor and try to arrange a meeting with the panel to discuss the auditor's view of the Council's Financial operations.

NEXT MEETINGS

5 February 2018 at 10am

9 April 2018 at 10am

MEETING CLOSE 11.47am