

**MINUTES OF CITY OF MOUNT GAMBIER
AUDIT AND RISK COMMITTEE MEETING
HELD AT THE LEVEL 4 COMMITTEE ROOM, CIVIC CENTRE, 10 WATSON TERRACE,
MOUNT GAMBIER
ON MONDAY, 5 JUNE 2023 AT 5.30 P.M.**

PRESENT: Mr Paul Duka (Presiding Member), Cr Paul Jenner (virtual), Mr Alexander Brown, Ms Belinda Johnson (virtual) (joined at 5.43 p.m.)

OFFICERS IN ATTENDANCE:	Chief Executive Officer	- Mrs S Philpott
	General Manager Corporate and Regulatory Services	- Mrs J Fetherstonhaugh
	General Manager City Infrastructure	- Ms B Cernovskis
	Manager Financial Services	- Mrs J Scoggins
	Manager Organisational Development	- Mrs R Datta (virtual)
	Executive Administrator	- Ms S Wilson

1 ACKNOWLEDGEMENT OF COUNTRY

WE ACKNOWLEDGE THE BOANDIK PEOPLES AS THE TRADITIONAL CUSTODIANS OF THE LAND WHERE WE MEET TODAY. WE RESPECT THEIR SPIRITUAL RELATIONSHIP WITH THE LAND AND RECOGNISE THE DEEP FEELINGS OF ATTACHMENT OUR FIRST NATIONS PEOPLES HAVE WITH THE LAND.

2 APOLOGY(IES)

RECOMMENDATION

That the apology from Mayor Lynette Martin be received.

3 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Alexander Brown

Seconded: Paul Duka

That the minutes of the Audit and Risk Committee meeting held on 8 May 2023 be confirmed as an accurate record of the proceedings of the meeting.

CARRIED

4 QUESTIONS WITHOUT NOTICE

Nil resolved.

Belinda Johnson joined the meeting (virtually) at 5:43 pm.



5 REPORTS

5.1 EXTERNAL AUDIT MANAGEMENT REPORT

COMMITTEE RESOLUTION

Moved: Paul Duka

Seconded: Cr Paul Jenner

1. That Audit and Risk Committee Report No. AR23/34119 titled 'External Audit Management Report' as presented on 05 June 2023 be noted.
2. That it be noted the Audit and Risk Committee request that a progress report regarding leases/licences and mandatory policies be brought back every 6 months.

CARRIED

5.2 INTERNAL FINANCIAL CONTROLS 2022-2023 - SELF ASSESSMENT

COMMITTEE RESOLUTION

Moved: Alexander Brown

Seconded: Belinda Johnson

1. That Audit and Risk Committee Report No. AR23/32434 titled 'Internal Financial Controls 2022-2023 - Self Assessment' as presented on 05 June 2023 be noted.

CARRIED

5.3 2023/2024 DRAFT ANNUAL BUSINESS PLAN AND BUDGET

Cr Jenner left the meeting at 6:53 pm.

Cr Jenner returned to the meeting at 6:56 pm.

COMMITTEE RESOLUTION

Moved: Alexander Brown

Seconded: Belinda Johnson

1. That Audit and Risk Committee Report No. AR23/33287 titled '2023/2024 Draft Annual Business Plan and Budget' as presented on 05 June 2023 be noted.
2. That the Audit and Risk Committee feedback on Council's Draft 2023/2024 Draft Annual Business Plan and Budget and/or the associated processes and risks, as follows:
 - Consideration should be given of the potential implications of Adelaide CPI (March 2023) in its final Annual Business Plan and Budget considerations.
 - Note the feedback regarding how to represent the total rate revenue increase.
 - Page 11 - update the Capital table to reconcile the Expenditure summary on page 6.



- Consideration should be given to Federal assistance grants and local roads and community infrastructure timing and impact on both the Budget Review 3 2022/2023 and draft 2023/2024 Annual Business Plan and Budget.
- That Council convey to the Valuer-General the Audit and Risk Committee recommendation for the earlier receipt of property valuation data for 2024/2025.

be incorporated with the public consultation feedback to be presented to the Special Council meeting to be held on the 27 June 2023 for consideration of the adoption of the Draft 2023/2024 Annual Business Plan and Budget.

CARRIED

5.4 DRAFT LONG TERM FINANCIAL PLAN 2024-2033

COMMITTEE RESOLUTION

Moved: Belinda Johnson

Seconded: Alexander Brown

1. That Audit and Risk Committee Report No. AR23/33289 titled 'Draft Long Term Financial Plan 2024-2033' as presented on 05 June 2023 be noted.
2. That the Audit and Risk Committee feedback on Council's Draft Long Term Financial Plan 2024-2033 and/or the associated processes and risks, as follows:
 - That a note be applied to the Long Term Financial Plan and also to the Interim Asset Management Summary that the asset allocations are indexed in the Long Term Financial Plan but not in the Interim Asset Management Summary.
 - Audit and Risk Committee notes that Council has raised questions with ESCOSA about the cost and value of the new ESCOSA process and concur with those questions.
 - Notes that financial sustainability is the key focus of the draft LTFP.
 - Once Asset Management Plans are completed, the Audit and Risk Committee recommends a more comprehensive review of the rating strategy.
 - Note that Asset revaluations and condition assessments may impact the operating surplus ratio and investment in asset renewal expenditure.

be incorporated with the public consultation feedback to be presented to the Special Council meeting to be held on 27 June 2023 for consideration of the adoption of the Draft Long Term Financial Plan 2024-2033.

CARRIED

5.5 DRAFT INTERIM ASSET MANAGEMENT SUMMARY 2024-2033

COMMITTEE RESOLUTION

Moved: Paul Duka

Seconded: Alexander Brown

1. That Audit and Risk Committee Report No. AR23/34812 titled 'Draft Interim Asset Management Summary 2024-2033' as presented on 05 June 2023 be noted.



2. That the Audit and Risk Committee feedback on Council's Draft Interim Asset Management Summary 2024-2033 and/or the associated processes and risks, as follows:
- Give consideration to useful lives and service levels as asset information is received.
 - Audit and Risk Committee note the iterative process to improving Council's Asset approach, and that the next round of planning will be informed more completely by valuations, condition data and useful lives, with a suite of asset classes with an overarching summary document.
 - Note that the current market conditions are placing additional pressure on unit rates for asset maintenance and replacement.
 - Note the asset data will help to inform the examination of use and purpose of Council's buildings as part of the Strategic Property Management Review.
- be incorporated with the public consultation feedback to be presented to the Special Council meeting to be held on 27 June 2023 for consideration of the adoption of the Draft Interim Asset Management Summary 2024-2033.
- CARRIED**

6 MOTIONS WITHOUT NOTICE

Nil

7 MEETING CLOSE

The Meeting closed at 7:45 pm.

The minutes of this meeting were confirmed at the Audit and Risk Committee held on 24 July 2023.

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PRESIDING MEMBER

