

AUDIT COMMITTEE MEETING
MINUTES

6 OCTOBER 2015

v3/16

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TABLE OF CONTENTS

1. **DECLARATION OF OPENING.....2**

2. **ATTENDANCE.....2**

3. **CONFIRMATION OF PREVIOUS MINUTES.....2**

4. **AC038 2014/2015 AUDIT REPORT FOR THE CITY OF GREATER GERALDTON3**

5. **AC039 STATUS OF CITYS RISK MANAGEMENT ACTIVITIES.....6**

6. **MEETING CLOSURE9**


V3/16

CITY OF GREATER GERALDTON
AUDIT COMMITTEE MEETING
ON TUESDAY 6 OCTOBER 2015 AT 3.30PM
IN THE COMMITTEE MEETING ROOM – CIVIC CENTRE

M I N U T E S

1. DECLARATION OF OPENING

Meeting opened at 3.27pm by Chairman Cr S Van Styn

2. ATTENDANCE

Present:

Mayor I Carpenter
Cr T Thomas
Cr S Van Styn
T Bate – External Member

Officers:

Bob Davis, Director Corporate & Commercial Services
Paul Radalj, Manager Treasury & Finance
Auke Van Der Weij, Financial Accountant
Margot Adam, Executive Assistant (Minutes)

By Invitation:

Maria Cavallo , AMD Chartered Accountants : Via Telephone.

Apologies:

Cr Critch
Ken Diehm

Leave of Absence:

Nil

3. CONFIRMATION OF PREVIOUS MINUTES

Recommendation: That the minutes of the City of Greater Geraldton Audit Committee meeting held on 24 February 2015, as attached be accepted as a true and correct record of proceedings.

COMMITTEE DECISION:

MOVED Cr Thomas SECONDED Mayor Carpenter

That the minutes of the City of Greater Geraldton Audit Committee meeting held on 24 February 2015, as attached be accepted as a true and correct record of proceedings.

CARRIED 4/0

Signed _____ Dated 1/3/16

4. AC038 2014/2015 AUDIT REPORT FOR THE CITY OF GREATER GERALDTON

AC038 2014/2015 AUDIT REPORT FOR THE CITY OF GREATER GERALDTON

AGENDA REFERENCE:	D-15-57402
AUTHOR:	A van der Weij, Financial Accountant
EXECUTIVE:	B Davis, Director of Corporate & Commercial Services
DATE OF REPORT:	21st of September 2015
FILE REFERENCE:	FM/3/0003
APPLICANT / PROPONENT:	City of Greater Geraldton
ATTACHMENTS:	Yes X 2

EXECUTIVE SUMMARY:

The purpose of this report is to present to the Audit Committee the audit report for the financial period ending 30 June 2015.

EXECUTIVE RECOMMENDATION;

That the Audit Committee by Simple Majority pursuant to Section 7.1C of the Local Government Act RESOLVES to:

1. ADOPT the Audit Report for the financial period ending 30 June 2015
2. ENDORSE actions taken by staff to resolve any items identified in the audit reports; and
3. NOTES that for the annual financial report for the year ended 30 June 2015 the Auditor has provided an unqualified audit opinion.

PROponent:

The proponent is the City of Greater Geraldton

BACKGROUND:

The interim audit was conducted by AMD Chartered Accountants from the 4 to 6 May 2015 and the final on-site audit from 31 August to 3 of September 2015. At the conclusion of these audits, the Auditor issued two reports: -

- An Independent Auditor's Report to the Ratepayers dated 18th September 2015.
- A Report to the Audit Committee dated 21st September 2015 on the key findings and analysis.

Attached is the report addressed to the Audit Committee by the Auditor. In this report, the auditor has noted:

- three year-end observations in the Appendix 1 – Auditor recommendations for the year ended 30 June 2015;

Management responses and improvement actions proposed or already implemented are noted in the attached reports.

Signed  Dated 1/3/16

A copy of the audited financial statements for 2014-15, is attached for the information of the Audit Committee.

The Auditor will be in attendance at the Audit Committee meeting via a telephone link up.

ECONOMIC, SOCIAL, ENVIRONMENTAL & CULTURAL ISSUES:

Economic:

There are no economic impacts.

Social:

There are no social impacts.

Environmental:

There are no environmental impacts.

Cultural & Heritage:

There are no cultural or heritage impacts.

RELEVANT PRECEDENTS:

There are no relevant precedents.

COMMUNITY/COUNCILLOR CONSULTATION:

No community consultation has been undertaken. The annual financial report and audit certificate are included in the City's Annual Report, which will be presented to Council for adoption shortly, then released to the community. The annual report is subsequently presented to an annual electors meeting.

LEGISLATIVE/POLICY IMPLICATIONS:

Part 7 Division 3 of the Local Government Act 1995.

FINANCIAL AND RESOURCE IMPLICATIONS:

There are no financial or resource implications.

INTEGRATED PLANNING LINKS:

Title: Governance	Planning and Policy
Strategy 5.2.7	Ensuring efficient and effective delivery of service

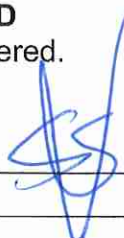
REGIONAL OUTCOMES:

There are no impacts to regional outcomes.

RISK MANAGEMENT

ALTERNATIVE OPTIONS CONSIDERED

There were no alternative options considered.

Signed  Dated 1/3/16

COMMITTEE DECISION:

MOVED Mayor Carpenter SECONDED Cr Thomas
That the Audit Committee by Simple Majority in accordance with
Sections 7.1C of the Local Government Act 1995 RESOLVES to:

1. **ADOPT the Audit Report for the financial period ending 30 June 2015**
2. **ENDORSE actions taken by staff to resolve any items identified in the audit reports; and**
3. **NOTES that for the annual financial report for the year ended 30 June 2015 the Auditor has provided an unqualified audit opinion.**

CARRIED 4/0

Notes:

1. Cr Van Styn requested a Briefing Note outlining the proposed changes to the Airport Accounting structure.
2. The Audit committee recommended an amendment to Note 41(a) *Correction of Figures Relating to Previous Financial Period*, page 79 2014/2015 General Purpose Financial Statements to clarify the inclusion of the comparative figures within the report. The amendment was endorsed by the M Cavallo, Auditor :

'...consistent with AASB 101, the comparative figures included for the 2013-14 financial years, as provided in these general statements, present the adjusted financial position for the earliest comparative period.'

3. The Auditor M Cavallo noted that City Management had done an excellent job, were very efficient ,and had achieved a high quality Audit Report.
4. The Mayor congratulated A Van Der Weij, Financial Accountant, and the Finance team and referred to the Auditors comments in the Management Letter page 2, thanking the City's Finance team for their assistance whilst undertaking the Audit.

Signed _____



Dated _____

1/3/16

5. AC039 STATUS OF CITY'S RISK MANAGEMENT ACTIVITIES

AC039	STATUS OF CITY RISK MANAGEMENT ACTIVITIES
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AGENDA REFERENCE:	D-15-58007
AUTHOR:	B Pearce, Senior Risk Advisor
EXECUTIVE:	B Davis, Director Department of Corporate and Commercial Services
DATE OF REPORT:	24 September 2015
FILE REFERENCE:	RM/1/0003
APPLICANT / PROPONENT:	The City of Greater Geraldton
ATTACHMENTS:	No

EXECUTIVE SUMMARY:

The purpose of this report is to provide an overview of the current and planned risk management activities for implementation by the City of Greater Geraldton (City), incorporating: Status of the Organisational Risk Management Project (ORM); and the Status of the City Business Continuity Management (BCM):

EXECUTIVE RECOMMENDATION;

That the Audit Committee by Simple Majority pursuant to Section 7.1C of the Local Government Act RESOLVES to:

1. NOTE the City of Greater Geraldton's status with regards to;
 - a. The progress of the Organisational Risk Management Project.
 - b. The progress of the City Business Continuity Management.

PROPONENT:

The proponent is the City of Greater Geraldton.


BACKGROUND:

ORGANISATIONAL RISK MANAGEMENT PROJECT

The City's Risk Management framework was endorsed by Council on 28 April 2015 (CCS 108) and in subsequent months the City has reviewed a range of risk software applications, for electronic management of the City's specific risk requirements. The City has recently finalised the selection of a suitable application (Promapp) and roll out is expected to commence early November 2015.

CITY BUSINESS CONTINUITY MANAGEMENT (BCM)

The Draft Crisis Management & Business Continuity Response Plan was issued to the City's Executive Management Team EMT for final review in late February 2015 in preparation for the scheduled BCM full desktop exercise scheduled for the 6th March 2015.

Signed  Dated 1/3/16

It was intended that at the conclusion of the exercise a review of the BCM Plan would be undertaken to ensure that the document content is comprehensive, relevant and useable.

Following the review by EMT it was determined that the desk top exercise would be postponed to allow sufficient time for a full review and update of all procedures supporting the activation of the BCM, prior to the exercise.

The City is currently in the process of finalising the BCM relevant procedures which will be completed following the rollout of the process mapping application (Promapp) which will be implemented in early November 2015.

The City has entered into a contract with Geraldton Data Centre (GDC), under the provisions of a WALGA panel contract, for Disaster Recovery and Business Continuity Services. This service provides replication of key systems of data between GDC and a Perth based data centre, enabling operations continuity via any internet connection regardless of physical location. Implementation will progress through September 2015.

ECONOMIC, SOCIAL, ENVIRONMENTAL & CULTURAL ISSUES:

Economic:

There are no economic impacts.

Social:

There are no social impacts.

Environmental:

There are no environmental impacts.

Cultural & Heritage:

There are no cultural or heritage impacts.

RELEVANT PRECEDENTS:

There are no relevant precedents.

COMMUNITY/COUNCILLOR CONSULTATION:

There has been no community/councillor consultation.

LEGISLATIVE/POLICY IMPLICATIONS:

Local Government (Audit) Amendment Regulations 2013 Regulation 17

FINANCIAL AND RESOURCE IMPLICATIONS:

There are no financial or resource implications.

Signed _____



Dated _____

1/3/16

INTEGRATED PLANNING LINKS:

Title: Governance	Planning and Policy
Strategy 5.2.7	Ensuring efficient and effective delivery of service

REGIONAL OUTCOMES:

There are no impacts to regional outcomes.

RISK MANAGEMENT

The purpose of this item is primarily associated with the development and implementation of effect risk management systems throughout the City. Should the City fail to successfully undertake the above mentioned activities the City will not be able to adequately meet its obligations with regards to risk management.

ALTERNATIVE OPTIONS CONSIDERED

No alternatives have been considered, as risk management systems are a regulatory requirement, and this process will deliver the necessary plans and action frameworks for compliance.

COMMITTEE DECISION:

MOVED Cr Thomas SECONDED Mayor Carpenter
That the Audit Committee by Simple Majority in accordance with Sections 7.1C of the Local Government Act 1995 RESOLVES to:

1. **NOTE the City of Greater Geraldton's status with regards to;**
 - a. **The progress of the Organisational Risk Management Project.**
 - b. **The progress of the City Business Continuity Management**

CARRIED 4/0

Signed  Dated 1/3/16

6. MEETING CLOSURE

There being no further business the meeting closed at 4.20pm

Signed _____



Dated _____

1/3/16