

**ADELAIDE HILLS COUNCIL AUDIT COMMITTEE  
MINUTES OF MEETING  
MONDAY 18 February 2019  
63 MT BARKER ROAD STIRLING**

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In Attendance

**Members:**

Cr Malcolm Herrmann	Presiding Member
Peter Brass	Independent Member
Geoff Purdie	Independent Member
Paula Davies	Independent Member
Cr Leith Mudge	Council Member

**In Attendance:**

Andrew Aitken	Chief Executive Officer
Terry Crackett	Director Corporate Services
Lachlan Miller	Executive Manager Governance & Performance
Mike Carey	Manager Financial Services
Steven Watson	Governance and Risk Coordinator

**Guests in Attendance:**

Tim Muhlhausler	Galpins
Juliano Freitas	Galpins

**1. COMMENCEMENT**

The meeting commenced at 6.01pm without Cr Mudge.

**2. APOLOGIES/LEAVE OF ABSENCE**

**2.1. Apology**

Nil

**2.2. Leave of Absence**

Nil

**2.3. Absent**

Nil

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**3. MINUTES OF PREVIOUS MEETINGS**

**3.1. Audit Committee Meeting – 05 November 2018**

Moved Peter Brass  
S/- Paula Davies

1/19

That the minutes of the Ordinary Council meeting held on 05 November 2018 as supplied, be confirmed as an accurate record of the proceedings of that meeting.

<b>Carried</b>
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**4. Delegation of Authority**

In accordance with the Audit Committee Terms of Reference, the Committee has no delegated decision-making powers. The Recommendations in **Items 6.2, 6.3, 6.4 and 6.8** are to be submitted to Council for consideration.

**5. DECLARATION OF CONFLICT OF INTEREST BY MEMBERS OF AUDIT COMMITTEE**

**5.1. NIL**

**6. OFFICER REPORTS – DECISION ITEMS**

**6.1. Action Report & 2019 Work Plan**

Moved Geoff Purdie  
S/- Peter Brass

2/19

The Audit Committee resolves that the report be received and noted.

<b>Carried</b>
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6.03pm Cr Leith Mudge entered the meeting

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**6.2. External Audit Plan**

Moved Peter Brass  
S/- Paula Davies

3/19

The Audit Committee resolves:

1. That the report be received and noted
2. To recommend to Council the approval of the:
  - a. Audit Engagement Letter between Adelaide Hills Council and Galpins Accountants, Auditors and Business Consultants as contained in Appendix 1; and
  - b. External Audit Plan (Appendix 2) by Galpins Accountants, Auditors and Business Consultants as contained in Appendix 2, with amendments to the timetable and risk assessment commentary.

<b>Carried</b>
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**6.3. 2018 – 19 Budget Review 2**

Moved Cr Leith Mudge  
S/- Geoff Purdie

4/19

The Audit Committee:

1. Resolves that the report be received and noted.
2. Notes and recommends to Council that:
  - c. the Operating Budget variations presented in Budget Review 2 increase the Budgeted Operating Surplus of \$302k to \$398k for the 2018-19 financial year.
  - d. the proposed Capital Works amendments increase capital income by \$9.719m and reduce total capital expenditure by \$291k, resulting in a proposed capital expenditure budget of \$17.626m.
  - e. the proposed operating and capital adjustments result in Council's current Net Borrowing Result of \$4.513m changing to a Net Lending Result of \$5.993m for the 2018-19 financial year.

<b>Carried Unanimously</b>
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**6.4 Long Term Financial Plan 2019 Review**

**Moved Paula Davies**

**S/- Peter Brass**

**5/19**

**The Audit Committee:**

- 1. Receives and notes the report.**
- 2. Notes the updated Long Term Financial Plan.**
- 3. Recommends Council endorse the Long Term Financial Plan, as contained in Appendix 1, for community consultation in accordance with Section 122 of the Local Government Act 1999.**

<b>Carried</b>
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7.11pm Paula Davies left the meeting

7.14pm Paula Davies returned to the meeting

**6.5 Risk Management Plan Update**

**Moved Geoff Purdie**

**S/- Paula Davies**

**6/19**

**The Audit Committee:**

- 1. Receives and notes the report.**
- 2. Requests an update to the Committee Workplan to include the Risk Management Framework Review for the August 2019 Audit Committee Meeting.**

<b>Carried</b>
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**6.6 Audit Committee Terms of Reference Review**

Moved Peter Brass  
S/- Paula Davies

7/19

The Audit Committee resolves to receive and note the report.

<b>Carried</b>
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**6.7 Quarterly Debtors Report**

Moved Peter Brass  
S/- Paula Davies

8/19

The Audit Committee resolves to receive and note the report.

<b>Carried</b>
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**6.8 Internal Audit Quarterly Update**

Moved Peter Brass  
S/- Cr Leith Mudge

9/19

The Audit Committee:

1. Receives and notes the report.
2. Recommends to Council to amend the Strategic Internal Audit Plan 2018-2022 to include a specific audit on Purchase Cards in the 2018-2019 financial year in light of heightened public interest.

<b>Carried</b>
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**6.9 Audit Actions Implementation**

Moved Geoff Purdie  
S/- Cr Leith Mudge

**10/19**

The Audit Committee resolves:

1. To receive and note the report.
2. To note the implementation status of Internal and External Audit actions

<b>Carried</b>
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**7. CONFIDENTIAL ITEMS**

Nil

**8. NEXT MEETING**

The next ordinary meeting of the Adelaide Hills Council will be held on Monday 15 April 2019 from 6.00pm at 63 Mt Barker Road, Stirling.

**9. CLOSE MEETING**

The meeting closed at 8.04pm