



Central Coast Council

Minutes of the
**EXTRAORDINARY AUDIT RISK AND IMPROVEMENT
COMMITTEE MEETING**

Held in the Committee Room
49 Mann Street, Gosford
on 20 February 2020

Present

Dr Colin Gellatly (Chairperson)
Carl Millington
John Gordon

In Attendance

Gary Murphy	Chief Executive Officer
Dr Liz Develin	Director Governance
Craig Norman	Chief Financial Officer
Vivienne Louie	Unit Manager Financial Performance
Tina Baker	Chief Internal Auditor
James Taylor	Section Manager Governance
Michelle Best	Financial Controller
Peter Correy	Financial Controller
Mellissa McKee	Financial Controller
Kelly Drover	Advisory Group Support Officer
Cassie Malone	Audit Office of NSW
Aaron Green	Audit Office of NSW
Penny Corkill	Centium

1 INTRODUCTION

1.1 **Welcome, Acknowledgement of Country and Apologies**

The Chairperson, Colin Gellatly declared the meeting open at 1.58pm and completed an Acknowledgement of Country.

Apologies Received: Councillor Louise Greenaway, Councillor Doug Vincent

1.2 **Disclosures of Interest**

Resolution

1/2020(ARIC) That the Committee receive the report on Disclosures of Interest noting that there were no Disclosures of Interest.

2/2020(ARIC) That this report be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.

2 FINANCE

2.1 **Draft Financial Statements for the reporting period 1 July 2018 to 30 June 2019**

Resolution

3/2020(ARIC) That the Audit Risk and Improvement Committee recommends that Council adopt the 2018-19 Consolidated Financial Statements for Central Coast Council that includes General Purpose Financial Statements, Special Purpose Financial Statements and Special Schedules.

4/2020(ARIC) That the Audit Risk and Improvement Committee recommends that Council adopt the 2018-19 Central Coast Council Water Supply Authority General Purpose Financial Statements.

5/2020(ARIC) That this report and the supporting papers to this report be made publicly available as the nature or content of the report do not fall within any listed exception, pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.

3 CONFIDENTIAL ITEMS

3.1 Interim Management Letter from NSW Audit Office - Financial Audit

Aaron Green from the Audit Office of NSW discussed the Interim Management Letter which outlines matters of interest identified during the current audit, unresolved matters identified during previous audits and matters required to be communicated under Australian Auditing Standards.

Resolution

- 6/2020(ARIC) That the Committee receive the Interim Management Letter on financial audit testing for the year ending 30 June 2019.**
- 7/2020(ARIC) That an update be provided on the status of actioning the matters raised in the Interim Management Letter at the 17 March 2020 Audit, Risk and Improvement Committee meeting.**
- 8/2020(ARIC) That the Committee approve Internal Audit receiving a copy of Interim Management Letters and that they be included in the Audit Tracker.**
- 9/2020(ARIC) That the Committee hold an In-Camera meeting with the NSW Audit Office.**
- 10/2020(ARIC) That the Committee recommend this report and the supporting papers not be made publicly available:**
- a) pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter, as they contain information about matters affecting the security of Council, Council Officials and/or Council property; and**
 - b) as on balance it would not be in the public interest to make this information available as Council does not disclose to the public any information from the NSW Audit Office to ensure the efficacy of its investigating, auditing or reporting functions.**

4 GENERAL BUSINESS

4.1 Recent Storm Events on the Central Coast

The Chief Executive Officer provided the Committee with an update on the impacts of the recent storms on the Central Coast including increased overtime and pressure on waste activities. Council have engaged additional contractors as well as Lake Macquarie Council to

**Minutes of the Extraordinary Audit Risk and Improvement Committee Meeting of Council 20
February 2020 contd**

assist with additional resources. Approximately 5,700 homes have been impacted along with a number of businesses due to power outages.

The Director, Governance advised the Committee that there have been comments made by members of the Central Coast Community, publicly, indicating an intention to commence legal proceedings against the Council in respect of the recent flood event that impacted our local government area. Council's insurer has been notified and will be appointing a Solicitor. The Audit, Risk and Improvement Committee will continue to be advised as the matter progresses.

Next Meetings: Ordinary Meeting
Tuesday 17 March 2020
2pm – 5pm
Wyong Committee Room

The Meeting closed at 2.35pm.