



AUDIT AND RISK COMMITTEE MINUTES

for the Special meeting

Friday, 9 August 2024

in the Colonel Light Room, Adelaide Town Hall

© 2024 CITY OF ADELAIDE. ALL RIGHTS RESERVED.



Present:

Presiding Member	Nicolle Rantanen Reynolds
Committee Members	Mark Davies
	Paula Davies
	Simon Rodger
	Councillor Phillip Martin (Proxy)

1 Acknowledgement of Country

The Presiding Member read the Acknowledgment of Country in Kurna language.

2 Apologies and Leave of Absence

Apology:

Councillor Jing Li

On Leave:

The Right Honourable the Lord Mayor Dr Jane Lomax-Smith

3 Declaration of Conflict of Interest

Nil

4 Report

4.1 2023/24 Business Plan and Budget Quarter 4 update

Discussion ensued during which Councillor Martin entered the Colonel Light Room at 9.04am.

It was then –

Moved by Simon Rodger,
Seconded by Paula Davies -

THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL

THAT COUNCIL

1. Notes the 2023/24 Preliminary Financial Position as presented in Attachment A to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024, which include:
 - 1.1 Total operating income of \$238.598 million (\$234.470 million estimated in Q3)
 - 1.2 Total operating expenditure (including depreciation) of \$229.614 million (\$227.655 million estimated in Q3)
 - 1.3 An operating surplus of \$8.984 million (\$6.815 million estimated in Q3)
2. Notes results presented are subject to external audit, and therefore are estimates at this stage.
3. Notes the Capital Works Quarter 4 update as presented in Attachment A to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024, which include:
 - 3.1. Major Projects expenditure of \$27.338 million (\$28.551 million estimated in Q3)
 - 3.2. New and Upgrades expenditure of \$9.343 million (\$16.862 million estimated in Q3)

- 3.3. Renewals expenditure of \$54.085 million (\$54.143 million estimated in Q3)
- 3.4. Capital Program expenditure of \$90.766 million (\$99.556 million estimated in Q3)
- 3.5. Grant funding to support capital expenditure on new/upgraded assets of \$5.524 million (\$7.152 million estimated in Q3)
4. Receives the Council Subsidiary Quarter 4 updates as provided as Attachments B, C, D and E to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024.
5. Notes that at the end of this Quarter 83% of Projects were capitalised within 10 weeks, exceeding the 70% target proposed by the Audit and Risk Committee at its meeting of 5 February 2021.

Carried unanimously

5 Workshop

5.1 2024/25 Long Term Financial Plan Update

Workshop facilitators:

Anthony Spartalis, Acting Chief Operating Officer
Nicole Van Berkel, Acting Manager Finance and Procurement

Precis of topic:

Utilising the PowerPoint presentation published in the Agenda, a workshop was conducted to seek feedback on the roadmap outlined, the underpinning Long Term Financial Plan (LTFP) assumptions, and the capital implications presented to date, and to note the intention to consult the Audit and Risk Committee again on the public consultation draft LTFP at its 27 September 2024 meeting.

A/COO Undertaking – Briefing on the Future Fund

In response to the meeting, an undertaking was given to provide the Audit and Risk Committee with a briefing on the Future Fund.

A/COO Undertaking – Prudential Borrowings Limit

In response to the meeting an undertaking was given to provide further information on prudential borrowings limits, particularly in relation to asset test and leverage test ratios and the appropriateness of the current levels.

Closure

The meeting closed at 10.49 am.

Nicolle Rantanen Reynolds
Presiding Member
City of Adelaide Audit and Risk Committee