



MINUTES

An Audit and Risk Committee Meeting of the
Lower Eyre Council held in
Council Chambers, 32 Railway Terrace, Cummins,
on Thursday, 4 June, 2026 at 2:30 PM

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LOWER EYRE COUNCIL

MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD IN THE COUNCIL CHAMBERS, 32 RAILWAY TERRACE, CUMMINS ON THURSDAY, JUNE 4, 2026, COMMENCING AT 2:30 PM.

PRESENT:

P Lee (Independent Member – Chairperson), I Swan (Independent Member), Councillor I Taylor, S Hopewell (Acting Chief Executive Officer), B Breed (Manager Finance & Technology).

1 WELCOME

Ms Lee welcomed committee members and staff to the meeting.

2 ACKNOWLEDGEMENT OF COUNTRY

We acknowledge the Traditional Owners of the land and waterways on which we meet today and their continuing connection to culture and community. We pay our respects to Elders past and present and extend that respect to all other Aboriginal and Torres Strait Islander peoples in our communities.

3 APOLOGIES

Nil.

4 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION ARC/26/007

SWAN/TAYLOR

That the minutes of the Audit and Risk Committee Meeting held 11 February 2026 be received and the recommendations contained therein be adopted.

Carried

5 BUSINESS ARISING FROM THE MINUTES

Nil.

6 REPORTS

6.1 2025/26 THIRD QUARTER BUDGET REVIEW

COMMITTEE RESOLUTION ARC/26/008

TAYLOR/SWAN

1. *That the Audit and Risk Committee receives and notes the report titled '2025/26 Third Quarter Budget Review'.*
2. *That the Audit and Risk Committee notes:*
 - *The positive movement in the Operating Surplus Ratio from (-6.65%) to (-1.41%) with a target range of 0% - 10%;*
 - *The reduction in the Net Financial Liabilities Ratio from 22% to (-4)% with a target range of 0% - 100%;*
 - *The decrease in the Asset Renewal Funding Ratio from 226% to 203% with a target range of 90% - 110%;*
 - *The carry forward of \$12.263 million of project expenditure from 2025/26 to 2026/27 funded by \$7.270 million in revenue sources.*
3. *That having considered the 2025/26 Third Quarter Budget Review report and attachment, advises Council that it considers the documents have been prepared with appropriate due diligence, legislative compliance and regard for risk management.*

Carried

6.2 2026/27 ANNUAL BUSINESS PLAN AND BUDGET ADOPTION

COMMITTEE RESOLUTION ARC/26/009

TAYLOR/SWAN

That the Audit and Risk Committee:

1. *Receives and notes the report titled 2026/27 Annual Business Plan and Budget Adoption.*
2. *Notes the 2026/27 Draft Annual Business Plan and Budget were approved by Council at its ordinary meeting held on 20 May 2026 for community consultation.*
3. *Notes the three key financial indicator ratios are within or positively exceeds recommended targets for local government.*
4. *Having considered the 2026/27 Annual Business Plan and Budget report and attachment, advises Council that it considers the documents have been prepared with alignment to its suite of strategic management plans, appropriate due diligence, legislative compliance and regard for risk management.*
5. *Commends the 2026/27 Annual Business Plan and Budget to Council for adoption subject to minor amendments as required.*

Carried

6.3 DRAFT 2027-2036 LONG-TERM FINANCIAL PLAN**COMMITTEE RESOLUTION ARC/26/010**

SWAN/TAYLOR

That the Audit and Risk Committee:

1. *Receives and note the report and attachment titled 'Draft 2027-2036 Long-Term Financial Plan' and endorses to Council for adoption.*
2. *Provides the following comments for Council's consideration:*
 - *That the Long-term Financial Plan key financial indicators for financial sustainability operate, on average, within or positively exceeding recommended target ranges for the local government sector.*
 - *The plan contains \$82.2 million of capital new and renewal works across the ten-year life of the plan that Council will need to plan for to ensure sufficient resources are available to enable project delivery without impacting Council's general operations and service standards.*
 - *That ratepayer affordability remains a consideration against the development, maintenance and future renewal costs associated with new community asset included within the Plan.*
3. *Notes the Draft 2027/2036 Long-term Financial Plan has been prepared with appropriate due diligence, legislative compliance and regard for risk management.*

Carried

6.4 RATING REVIEW**COMMITTEE RESOLUTION ARC/26/011**

TAYLOR/SWAN

That the Audit and Risk Committee:

1. *Receives and notes the report titled Rating Review and attachment titled A Review of the Basis of Rating Consultation Paper dated May 2026.*
2. *Notes the detailed review of the rating structure and comprehensive approach and process undertaken by Council in reviewing its rating structure, acknowledging that Council last reviewed its rating methodology in 2001/02.*
3. *Recommends that, in reviewing its rating methodology, Council ensures its system of taxation remains equitable, has regard for benefits received and peoples capacity to pay and supports a fair distribution of contributions to Council services and infrastructure across current and future generations.*
4. *Notes the Council is undertaking community consultation on the proposed changes from Thursday 21 May to 11 June 2026 and has scheduled a Special Council meeting at 9:00am on 15 June 2026 to hear submissions from the community members on the Annual Business Plan and Budget and Rating Review.*

Carried

6.5 2025/26 EXTERNAL AUDIT MANAGEMENT LETTER**COMMITTEE RESOLUTION ARC/26/012**

SWAN/TAYLOR

That the Audit and Risk Committee receives and notes the report titled 2025/26 External Audit Management Letter and notes Management's responses and agreed actions to the eight identified improvements contained in the 2025/26 Financial Controls Review and 2025/26 Interim Management Letter.

Carried

6.6 AUDIT COMMITTEE WORK PROGRAM

COMMITTEE RESOLUTION ARC/26/013

TAYLOR/SWAN

That the Audit and Risk Committee notes the Committee's 2025/26 Work Program and progress on the Program.

Carried

7 GENERAL BUSINESS

Nil.

8 NEXT MEETING

The next meeting of the Lower Eyre Council Audit and Risk Committee Meeting will be in September 2026.

Meeting closed at 3:09pm.

The minutes of this meeting will be confirmed at the next Audit and Risk Committee Meeting.

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CHIEF EXECUTIVE OFFICER

DATE: enter date

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CHAIRPERSON