

AUDIT & RISK COMMITTEE OF LAUNCESTON VFC SERVICES INC

Minutes of a meeting held on 19th June 2023 at the Boardroom, LVFC Offices, 56 Cimitiere Street, Launceston, commencing at 9.30am.

Present: Amanda McEvoy, Glen Cornish (acting Chair in absence of Kevin Goldsmith, apology)

In attendance: Kylie Bryan, Fiona Vanderbeek

1. Meeting Opening:

The Chair declared the meeting open at 9.33am noting a quorum was present (as per Terms of Reference 50%+1)

2.1 Conflicts of Interest:

No conflicts of interest were declared with the meeting agenda.

Action: Nil

2.2 Minutes of Previous Meetings:

2.2.1 The committee reviewed and resolved to accept the revised minutes of the Meetings of Dec 22 and Feb 23 with further minor amendments made at meeting. Revision had been made at the request of the Board to produce minutes in a standardised format.

Items updated included Commonwealth funding amount corrected, \$3k delegation amount corrected, full names of who was in attendance and complete dates.

These will then be tabled at next board meeting. Amanda McEvoy to take minutes and introduce Action register moving forward.

Noted that 17th April ARC meeting was cancelled.

Carried

Action: From review of minutes

Create conflicts of interest register specifically for ARC committee.

To be completed by AM by next meeting . Fiona Vanderbeek forwarded Board template to AM.

2.3 Action Register:

The Action status of tasks were formed as listed below in relation to each agenda point discussed. Nil to go through from previous agendas, action lists to now be included in meeting papers.

3 Delegations Policy

Review for presentation to Board with inclusion of comments made by the President.

The delegations policy was reviewed item by item by all present, minor adjustments made with discussion of lay out and that budgeted and non-budgeted should be listed consistently throughout for clarity.

There was discussion around the definition of “service agreement” and whether this refers to a government funding contract or procuring services from others. Will also need to subdivide to

within or not within budget. This topic will be brought up for discussion at the forthcoming Board meeting.

Action :

*Amanda to update changes to delegations policy as discussed and submit papers to Kylie for upload and to Fiona for circulation with board papers re discussion point noted.
Fiona to add 5 minute discussion on 'service agreement' definition to Board agenda.*

4. Motor Vehicle Replacement

It was noted that this was an initial overview of the current fleet of vehicles and strategy for replacement.

The approximate replacement year for each vehicle was noted with the Commodore likely to be the first to need replacing in 2025.

Funds in the Capital Account for vehicle replacement currently total \$73,047. This total includes \$33,615 made up of DSS funds specifically for capital replacement of vehicles. The DSS contributes \$12,000 pa towards vehicle replacement with this funding being ring fenced in the accounts. The balance of funding in the Capital Account is made up of client fees, over/under 65 and brokerage; these currently contribute approximately \$5,000 per month to the Capital account.

After review of vehicle age and km's and flow of funds into capital account, the committee deemed this to be adequate to cover vehicle replacement in coming years, starting in 2025.

4.1 The vehicle replacement policy, account information and financial reports provided by Kylie Bryan provided clarity and understanding and she was thanked by the committee for her stewardship of these funds.

4.1.1 The Home maintenance vehicle was noted to have low kms. Maintenance of this vehicle and the Commodore will need to be closely monitored.

4.1.2 Following a general discussion about electric vehicles it was agreed that both electric and hybrid vehicles should be included by the GM when reviewing options for replacement vehicles. This review will need to be commenced approximately 12 months ahead of the need for replacement.

4.1.2 The potential for sponsorship or grants towards vehicle replacement costs was discussed. It was agreed that this should be left in the hands of the GM when reviewing vehicle replacement options.

Action:

Agreed to change the Capital Balance line of the \$33k to be labelled Vehicle Capital Balance for clarity for board members. Kylie to update.

Action:

Kylie to include electric and hybrid vehicles in any market research for car replacement in future.

5 General Business

Kylie spoke to financial reports for April and May, with no major expenses or other unexpected items.

It was clarified that the TPT Wealth account holds funds retained in the case of winding up the organisation.

A key focus for this month will be to get DSS to breakeven point for the EOFY.

The committee credited Kylie for building capital account and keeping finances well managed and healthy.

Glen Cornish queried whether holding \$71,900 in a non-interest bearing cheque account was losing a potential source of interest revenue. Kylie confirmed that this is the working daily account and \$70,000 represents the peak after receipt of grant funding which then diminishes until the next funding is deposited. There was discussion as to whether this is a reasonable amount to hold in a cheque account. It was agreed that it is, particularly as any transfer would also need a second authorisation so not easy to do.

Kylie reported that risk ratings remain unchanged – although loss of key personnel/recruitment is rated high, Kylie remains comfortable with this. Cyber security remains a risk – aware of this area. Fiona suggested, should possible loss of premises be in there as an item on residual risk rating given the addition of this clause in recent lease. Kylie agreed that post Board meeting this would be added.

The compliance report indicated no issues; Kylie flagged that reviews and reports are due and acquittals and financial year end so busy time for operations.

Action:

Kylie to add loss of premises on residual risk rating after next board meeting.

6. Meeting Close

Meeting closed at 10.47am The next meeting is scheduled for 21st August 9.30am 2023.

Signed as a true record:

Chair: _____

Dated: _____