



**Summary of
Board Meeting 193
Monday 2 May 2011
Tatura**

Llew Vale OAM
Chairman

Jenny Dawson
Director

Shane McGrath
Acting Managing Director

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Opening

The Chairman welcomed all in attendance to the third meeting of the interim Board appointed by the Minister for Water.

Finance Reports

The Board discussed in some detail the G-MW Critical Finance projects status report. All projects are currently on track.

The financial report was accepted by the Board.

Audit Discussions with Victorian Auditor General's Office (VAGO)

Travis Derricott, Sector Director, Financial Audit and Remy Szpak, Audit Manager attended the meeting to discuss VAGO's audit for the financial year ending 30 June 2011 and the revised audit strategy first issued on 22 December 2010.

Corporate Card Audit

In reviewing the internal audit program the Financial Management and Audit Committee (FMAC) required a review of corporate card use. This has now been completed by G-MW's internal Auditors, AFS & Associates Pty Ltd. The report noted the retention of supporting documentation for corporate card transactions as an area of strength for G-MW. The Board noted the report on corporate card use and the actions implemented by Management.

Corporate Plan

The Board approved the Corporate Plan. The Plan shows that the business is on a good footing. It is proposed to submit the Plan to DSE this week with senior management to then subsequently make a presentation to DSE officers.

Outstanding Audit Issues

The Board noted the report on outstanding audit issues and required Management to prepare a robust procedure to manage and complete issues and ensure the revision of target dates only occurred for valid reasons.

Appointment of New Internal Auditors

The decision was taken in January 2011 to seek tenders for the appointment of internal auditors. Tenders have been received and assessed and follow up interviews held with each of the three tenderers. The Board approved the appointment of Pitcher Partners as Internal Auditors of Goulburn-Murray Water.

Tariff Strategy Development

The Board requested that Management prepare a paper (initially at a high level) outlining potential post-modernisation principles..

Technology Status Report

The Technology Status Report noted the ongoing strategic initiatives which include the proposal to engage a consultant to advise on an Enterprise Information Management system.

Business Operations Report

The Board considered and noted the Business Operations Report, noting in particular that the 4% trading cap limit has been reached in all areas this year and it is expected next year the 4% trading cap limit will again be reached.

Mokoan Inlet Channel Decommissioning – Contract Variations

The Board approved an increase in the variation limit on the Mokoan – Return to Wetland – Inlet Channel Decommissioning Contract. The overall project cost remains within the project estimate approved by the Mokoan Project Control Board and already funded by DSE.

Water Services Committee Report

The Managing Director attended the celebration dinner acknowledging the 200th meeting of the Murray Valley Water Services Committee.

Nominations for Water Service Committee positions close on 6 June with the recommendations for appointment to be submitted to the July Board meeting.

Reports

The Board considered and noted the following reports:

- Human Resources Monthly Report
- Modernised Irrigation Business Performance Report
- Modernised Irrigation Business Success Indicators
- Contingent Liabilities
- Compliance and Enforcement Report
- Environmental and Sustainability Quarterly Report

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18 May 2011