

## Finance Committee Terms of Reference

Organisational Unit:	Finance
Responsible Position:	Finance Manager
Relevant Delegations:	As delegated from Regional Council
Date Adopted:	17 May,2012 (Ordinary Council)
Review Date:	Every two years

### Introduction

The Central Desert Regional Council (hereinafter called the "Council") hereby establishes a committee under the powers given in Section 54 of the Local Government Act and Section 11 of the *Local Government (Accounting) Regulations*, such committee to be known as the Finance Committee (hereinafter called the "Committee"). The Committee is established for the purpose of assisting the Council to undertake its financial functions in the months that the Council does not hold an ordinary meeting.

The Committee shall act for and on behalf of Council in accordance with the provisions of the *Local Government Act*, local laws and policies of the Central Desert Regional Council and this Instrument.

### Objectives of Finance Committee

The Finance Committee will assist the Council to oversee the allocation of the local government's finances and resources. Under the control and direction of the Council, the Finance Committee will:

1. Ensure the annual budget is aligned with the Regional Council Plan.
2. Monitor and report on financial performance against the annual budget and the Regional Council Plan.
3. Formulate strategies to improve the Council's financial position.
4. Make executive financial decisions on behalf of Council when the matter cannot be held over until the next ordinary Council meeting.
5. Monitor compliance with appropriate legislative and accounting standards.

### Responsibilities

1. Review the monthly income and expenditure reports, monitor progress against the budget and provide advice to Council on implications of these.
2. Approve adjustments to budget and re-allocation of resources after consultation with affected areas.
3. Review and accept or reject Program Funding Agreements or any other offers of funding.
4. Consider and make appropriate recommendations to Council on any matters having a significant financial impact on the Council.
5. Advise Council on the short, medium and long term financial implications of the Council's Regional Council Plan and any sub-plans.
6. At least annually, advise Council about the adequacy of the Council's insurance coverage.
7. On a regular basis, review the financial investments of the Council.
8. At least annually, review the Council's borrowing program.
9. Review financial delegations and policies at least annually.
10. To advise Council on the level of allowances to be paid to Councillors.
11. Review and determine action for any other financial documents that need to be dealt with prior to the next ordinary Council meeting.
12. Work with CEO to develop the annual budget, ensure it aligns with the Regional Council Plan and present it to Council for adoption.
13. Approve the awarding of any tenders or major contracts.
14. Determine fees and charges to be made by the Council.
15. Decide which applications for financial aid made to the Council will be supported.

16. Contribute to the preparation of the annual financial statements.
17. Review the annual audited financial statement and auditor's report and recommend any necessary follow-up.
18. Ensure there is an adequate internal control system, including a fraud protection plan, to minimise financial risk.
19. Exercise any general authority delegated by Council.
20. Deal with any tasks that have been delegated from a previous Council meeting.
21. Consider any matters referred by the CEO or the Council.

### **Membership**

Members of this Committee include the President or the Deputy President and a minimum of one other Councillor/s appointed by Council.

### **Quorum**

A quorum for the Finance Committee is calculated as more than half the total membership and must include the President or the Deputy President.

### **Chair**

The President or Deputy President will chair the Finance Committee.

### **Proxies**

In order to ensure continuity and a useful level of knowledge and experience, Finance Committee members are not permitted to send proxies to the meeting. The exceptions are the President and Deputy President, who may act as proxies for each other on the Finance Committee.

### **Term of office**

The term of office is for the Local Government electoral term. A newly elected Council will appoint a new Finance Committee. Should a Councillor be re-elected, he/she may serve multiple terms on the Finance Committee if appointed by Council.

### **Self-review**

At least once a year, the Finance Committee will devote part of the meeting to reviewing its own processes and outcomes of the preceding year.

### **Timing**

The Finance Committee will meet in the months between ordinary Council meetings.

### **Minutes**

Minutes must be kept of the decisions and actions of the Finance Committee. Minutes will be taken by the Finance Manager or other delegated staff member.

### **Reporting**

The minutes of the Finance Committee will be tabled at the next Council Meeting.