

**Roper Gulf Regional Council Finance Committee**  
**Terms of Reference**

Roper Gulf Regional Council (RGRC) has established the Finance Committee pursuant to Regulation 11 of the *Local Government (Accounting) Regulations*. According to Regulation 11 of the *Local Government (Accounting) Regulations*, if a Council is not required to hold an ordinary meeting at least once in each month, the council must appoint a committee and delegate to the Committee the necessary powers to carry out, on behalf of the council, financial functions of the Council in the months the council does not hold an ordinary meeting.

**1. Objective**

RGRC holds an Ordinary Meeting of Council every second month and has set up a Finance Committee to carry out financial functions in the alternate month, thus meeting its obligations under *Local Government Act* (the Act).

**2. Functions of Finance Committee**

Under the control and direction of the Council, the Finance Committee will:

- Ensure the annual budget is aligned with the Business (Regional) Plan.
- Monitor and report on financial performance against the annual budget and the Business Plan.
- Receive and review the monthly financial reports.
- Formulate strategies to improve Roper Gulf Regional Council's financial position.
- Make decisions on behalf of Council when the matter cannot be held over until the next Ordinary Meeting of Council.
- Review proposed and current RGRC investments and investment strategies, and approve commencement or amendment as necessary.
- Review administrative decisions which are prescribed by the *Local Government Act* as reviewable.

**3. Membership**

Members of this Committee include the Mayor and Deputy Mayor, three (3) other Councillors appointed by Council and an Independent Member appointed by Council. The CEO and Finance Manager are *ex officio* members and have no voting rights.

**4. Chairperson**

The Mayor or the Deputy Mayor will chair the Finance Committee.

**5. Roles and Responsibilities**

The roles and responsibilities of the Finance Committee will be as follows:

- a. Review the monthly income and expenditure reports, monitor progress against the budget and provide advice to Council in respect to these.
- b. Approve amendments to budget and re-allocation of resources.
- c. Review and accept or reject Program Funding Agreements or any other offers of funding.
- d. Consider and make appropriate recommendations to Council on any matters having a significant financial impact on Roper Gulf Regional Council.
- e. At least annually, report to Council on adequacy of Roper Gulf Regional Council's insurance coverage.
- f. On a regular basis, review the financial investments of Roper Gulf Regional Council.

- g. At least annually, review Roper Gulf Regional Council's borrowing program.
- h. Review financial delegations at least annually.
- i. To advise Council on the level of allowances to be paid to Councillors.
- j. Review and determine action for any other financial documents that need to be dealt with prior to the next Ordinary Meeting of Council.
- k. Work with CEO and Finance Manager to develop the annual budget, ensure it aligns with the Business Plan and present it to Council for adoption.
- l. Approve the awarding of any tenders or major contracts.
- m. Recommend fees and charges to be made by Roper Gulf Regional Council.
- n. Review applications for financial aid made to Roper Gulf Regional Council and provide recommendations to Council..
- o. Contribute to the preparation of the annual financial statements.
- p. Review the annual audited financial statement and auditor's report and recommend any necessary follow-up.
- q. Exercise any general authority delegated by Council.
- r. Deal with any tasks that have been delegated from a previous Council meeting.
- s. Consider any matters referred by the CEO or the Council.
- t. Deal with urgent matters that cannot wait until the next Council meeting by making a decision.
- u. Review appeals against decisions of Council or council staff members which are prescribed by the *Local Government Act* as reviewable.
- v. Assess/consider/develop proposed and current investments and investment strategies of Council, and approve commencement and amendments as required.

## **6. Limitations**

If an issue involves expenditure of \$500,000 or more that is in variance to the budget the Finance Committee must make a recommendation to the next Ordinary Meeting of Council.

If an issue involves expenditure of \$500,000 or more, but is urgent and cannot be held over until the next Ordinary Meeting of Council, the Finance Committee will make a recommendation, record how each member of the Committee votes on the recommendation and direct the Mayor/Deputy Mayor or CEO as appropriate to contact other Council members out of session for their vote on the issue.

A decision by the majority of Elected Members for or against the resolution shall be taken as a decision of Council regardless of whether or not all Elected Members were contacted.

## **7. Quorum**

A quorum for the Finance Committee is three (3) members and must include the Mayor or Deputy Mayor.

## **8. 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.

## **9. 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. A newly elected Council may choose to re-appoint a former Independent Member if they wish.

**10. 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.

**11. Timing and mode of meetings**

The Finance Committee will meet in the months between Ordinary Meetings of Council. Meetings can be held face-to-face, by teleconference, by videoconference or by a mixture of any of these.

**12. Minutes**

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

**13. Reporting**

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

**14. Conflict of Interest**

In accordance with Section 74(1) of the *Local Government Act*, Committee members will be required to disclose conflicts of interest at the commencement of each meeting.

Where members or invitees at the Committee meetings are deemed to have a real or perceived conflict of interest, they will be excused from Committee discussions on the issue where a conflict of interest exists.

**15. Remuneration and Allowances**

Councillors who are Committee members shall be paid the Extra Meeting Allowance payment for each Committee meeting they attend.

The Mayor and Deputy Mayor are not eligible for the Extra Meeting payment as it is provided for and included in their base allowance (Clause 2(2) *Local Government Guideline 2 – Member Allowances*).

Independent Members are eligible for remuneration at a rate of \$900 per meeting which shall be inclusive of meeting preparation, attendance, and necessary travel.

**16. Legislation referenced in the Terms of Reference**

*Local Government Act*  
*Local Government (Accounting) Regulations*

**17. Document Control**

<b>Document</b>	<b>Terms of Reference for Finance Committee</b>
<b>Endorsed by</b>	<b>Council</b>
<b>Date approved</b>	<b>24 February 2010</b>
<b>Amendments Approved</b>	<b>26 September 2012</b> <b>28 May 2014</b> <b>26 August 2015</b> <b>14 September 2017</b>