OUR VISION:
A vibrant growing area supported by quality infrastructure and services that meet community needs and maintains our unique lifestyle

OUR MISSION:
To service our growing community by providing cost efficient and effective services and quality infrastructure to maintain and enhance our rural lifestyle

MINUTES
for the meeting of
LIGHT REGIONAL COUNCIL
AUDIT COMMITTEE

in the
Council Chamber
93 Main Street, Kapunda

Tuesday, 3 June 2008
LIGHT REGIONAL COUNCIL
AUDIT COMMITTEE

Minutes of the meeting held on Tuesday, 3 June 2008, in the Council Chamber,
93 Main Street, Kapunda

1. PRESENT
Mr John Comrie Independent Member (Chairman)
Mayor Robert Hornsey Light Regional Council (Ex-Officio Member)
Cr Jane Alcorn Light Regional Council Member
Cr Wayne Standish Light Regional Council Member
Mr Peter Fairlie-Jones Independent Member
Mr Brian Carr Chief Executive Officer
Mr Richard Michael Deputy Chief Executive Officer
Ms Vicky Rohrlach Finance Manager
Mr Milton Helbig Accountant
Mr Greg Barrowcliff Procurement & Contracts Administrator

2. OPENING
The Chairman, Mr John Comrie, declared the meeting open at 5.43 pm and welcomed the members to the committee meeting.

3. APOLOGIES
Mr Cleve Coyle Finance Consultant

4. CONFIRMATION OF MINUTES
Moved Mr Fairlie-Jones
Seconded Cr Standish
That the minutes of the meeting of the Committee held on Tuesday, 22 April 2008, be confirmed as a true and correct record of that meeting.
CARRIED

5. BUSINESS ARISING FROM THE PREVIOUS MEETING
Nil
6. REPORTS FOR DECISION

**Item No:** 6.1  
**Subject:** Council Committees Review and Committee Terms of Reference Review

Moved Cr Alcorn  
Seconded Cr Standish

That the Light Regional Council Audit Committee receives the report provided in relation to the Council Committees Review and Committee Terms of Reference Review and, further that a report discussing the Committee’s Terms of Reference be prepared for the July 2008 meeting, the report to include the discussion on the appointment of the Committee’s Presiding Officer and the payment of fees.

CARRIED

**Item No:** 6.2  
**Subject:** Audit Committee Working Program December 2007 to June 2008 Review

Moved Cr Alcorn  
Seconded Cr Standish

That the Light Regional Council Audit Committee receives the report provided in relation to the status of the Working Program for December 2007 to June 2008; and further that the Deputy Chief Executive Officer draft a working program for the Committee for at least the next six months of its operations for presentation to the July 2008 Committee Meeting.

CARRIED

**Item No:** 6.3  
**Subject:** Norman Waterhouse Governance Action Report Review

Moved Cr Alcorn  
Seconded Cr Standish

That the Light Regional Council Audit Committee receives the report provided in relation to the status of the Actions Program emanating from the Norman Waterhouse Legislative Due Diligence Report of February 2008, and further, it be noted that the Chief Executive Officer advised that he will organise Elected Member training on Conflict of Interest matters at the earliest opportunity.

CARRIED
Item No: 6.4  
File No:  

**Subject:** Procurement Processes  

Moved Cr Alcorn  
Seconded Mr Fairlie-Jones  

That the Light Regional Council Audit Committee receives the report presented concerning Procurement Processes; and further that the Committee recommends to Council that the following draft document be adopted as Council policy;

**Introduction**

1. This policy covers the following aspects of Procurement:
   - Definitions;
   - Procurement Principles;
   - Types of Procurement;
   - Delegations;
   - Contracts Register;
   - Securities;
   - Payments; and
   - Variation of Contract.

2. Detailed procurement procedures are covered within separate procedures documents.

3. Words importing the singular shall also include the plural and vice versa, and words importing the masculine gender shall include the feminine gender and vice versa, and words importing persons shall include partnerships and companies and vice versa.

**Definitions**

4. Within this policy the following definitions apply:

   **“Contract”**:
   - Means an agreement between two or more parties, generally where one party agrees to provide goods, services or works in exchange for an agreed payment, which may be a fixed sum or a schedule of rates.
   - A contract may be verbal or written. A written agreement varies in complexity from a purchase order, through to a contract with a suite of documents specifying the work to be performed, conditions of contract and how payments are to be made.

   **“Contract Manager”** means the Council officer responsible for ensuring the correct delivery of goods, services or works by a contractor to Council. This responsibility includes the certification of invoices for payment - that the amount claimed is in accordance with the work performed or deliverables provided, and is in accordance with Council’s requirement.

   **“Delegate”** means an officer appointed by Light Regional Council who has been granted the authority to approve specific procurement processes for a particular purpose, within the limit of authority which has been granted.

   **“Payment Run”** means the processes which occur when a number of invoices are grouped together and paid at the same time.
“Procurement Delegations” are the authorisations to approve specific procurement processes for a particular purpose. The delegation types are:

- Approval of a proposal to spend funds (Project Approval);
- Determining the method of procurement;
- Committing Council to expenditure; and
- Authorising payments.

“Program Approval” is the approval within Council’s budget to spend up to a limit of funds for a particular type of goods, services or works, but is not approval for a specific project; for example, the ‘Formed Roads’ or ‘IT hardware and software maintenance’ budgets.

“Project Approval” is the approval to spend funds for a particular project.

A Quotation is an offer from a prospective contractor to provide works, goods or services for low complexity or low value requirements.

A Tender is the formal offer from a prospective contractor (the Tenderer) to provide goods, services or works for high value or high complexity requirements, for a particular price or schedule of rates and under particular terms and conditions:

- “Open Tender” means a tender which is open to all parties to make offers;
- “Restricted Tender” means a tender which is restricted to specific parties.

A Tender Process is the process of seeking offers from prospective contractors for high value or high complexity requirements, subsequently determining the preferred tenderer and then signing a contract with that preferred tenderer.

**General Requirements**

5. Council seeks to achieve value for money for all purchases, and has a commitment to open and transparent governance in the equitable and timely supply of goods, works and services. Delegates must therefore purchase in a manner which:

- Utilises a known procurement system, with disclosure where appropriate, to avoid any perception of bias; and
- Strikes a balance between efficiency, and being fair and equitable: within reasonable limits, giving potential providers a fair opportunity to bid for and secure Council work.

6. Value for money does not necessarily mean the lowest price – consideration of other factors of the potential contractor’s offer may include:

- quality, technology and reliability of the goods, service or works offered;
- relevant experience/ technical skills;
- track record in providing goods, works or services to Council or another known organisation;
- management ability, including Occupational Health, Safety and Welfare (OHS&W) and Quality Management systems;
- methodology in providing the requirement;
- whole-of-life cost;
- after-sales service (for equipment);
- time to delivery/ completion date;
- the contractor’s financial viability; and
• Council’s costs in taking receipt of the goods, or to project manage the works.

7. Within the requirements of efficient procurement, and seeking value for money, Council will provide local suppliers the opportunity to submit quotations and tenders for goods, works and services. If all other factors are equal, preference will be given to local suppliers.

8. Council’s procurement policy extends to sale or disposal of land or other assets. Where tenders are called for the sale or disposal of land Council shall undertake consultation with members of the public in accordance with its Public Consultation Policy.

Conflict of Interest

9. Since it is essential that Council’s procurement procedures are beyond reproach, an elected member or any Council Officer who has an association with a potential contractor, which may cause a conflict of interest in accordance with sections 73 and 120 of the Local Government Act 1999, shall declare their interest in the matter and forthwith cease to take any further part in the procurement process.

Rejection of Inducements

10. An inducement is “an advantage or benefit that may precipitate a particular action on the part of an individual”.

11. In keeping with the principles of open and transparent governance and the equitable supply of goods, Council representatives are not to seek or accept inducements from prospective contractors.

Adherence to Policy and Processes

12. Inappropriate expenditure of Council funds is misappropriation. Examples of inappropriate expenditure include:
   • Expenditure which is not for the intended purpose of a budget line;
   • Over-expenditure of a budget line without authorisation; or
   • Expenditure using Council funds for private purposes.

13. Council employees involved in procurement are to adhere to procurement policies and processes, including not engaging in inappropriate expenditure. Failure to do so may result in disciplinary action being taken.

Goods and Services Tax

14. All invitations for quotations and tenders shall include any Goods and Services Tax liability, which should be separately identified.

   Procurement Principles

15. Delegates must have the procurement delegation authority which they intend to exercise.

16. A flowchart of Light Regional Council’s procurement system is at Appendix 1. There are four distinct decisions for a procurement, each of which requires approval by the relevant delegate:
17. Approving a proposal to spend Council funds (Project Approval) is often provided within Council’s approved budget. However, this is not the case for all projects, particularly those sourced from funds of a ‘general expenditure’ nature, for which the budget provides Programme Approval only.

18. In granting Project Approval the Delegate must ensure that:
   - Funds are available,
   - Expenditure must be for the intended purpose of the budget item, and
   - The Delegate must be the responsible officer for the function that requires the purchase.

19. The Delegate must then decide whether the proposal is an appropriate expenditure of Council funds, given the other priorities within the same budgetary area.

20. Project approval is to be formally documented for procurements with a projected value in excess of $50,000, and is usually sought in conjunction with approval of the method of procurement (within a Procurement Plan).

**Method of Procurement**

21. Approval of the method of procurement, within an endorsed Procurement Plan, is to be sought for projects with a projected value in excess of $50,000 (the project may consist of more than one contract/purchase order).

22. The Procurement Plan must outline:
   - The requirement;
   - The method of procurement (e.g., open tender, restricted tender, existing panel contract, single source, quotations);
   - If applicable, the reason for a non-standard procurement method;
   - Likely providers, if known; and
   - The source of funds.

23. In determining the method of procurement, the Delegate must decide upon:
   - The type of contract – for example, a purchase order, contract for minor or major works, contract for consultancy services, or a more extensive contract;
   - Whether to bundle a group of items together under one contract or purchase order;
   - Whether development of the contract, and/or management of the contract, will require input from external consultants; and
   - For quotations or restricted tenders, the number of offers that should be sought, and type (verbal or written).

**Commitment**

24. Entering into an agreement (contract) commits Council to expenditure. Within Light Regional Council contracts are to be written. Where a verbal agreement is entered into it should be followed-up with a confirmatory written agreement:
   - Wherever possible Light Regional Council’s contract documentation is to be used rather than the documentation offered by a Contractor. This ensures that Council’s terms and conditions, including deliverables, liability, adherence to Council’s occupational health, safety and welfare requirements, warranty or defects liability, and payment terms are included in the contract.
• With the exception of petty cash and credit card purchases, the purchases of goods, works or services must be arranged through the issue of an official Council purchase order or contract. The following must be clearly defined within the order:
  o The requirement (scope of work, goods or service required [including quantities], specifications, plans and drawings);
  o What documents constitute the agreement (contract), eg general conditions, special [additional] conditions, scope of work, plans and specifications;
  o The terms and conditions – even a simple purchase order should have standard terms and conditions; and
  o The agreed dollar-amount(s).

25. Where Council purchase orders are used as the contract document they must have the terms and conditions attached. For more complex contracts reference may be made to other traceable documentation for the specification or conditions of contract.

Authorising Payments

26. The delegate authorising expenditure is authorising the act of payment, usually the paying of an invoice.

27. This delegate:
  • Must ensure that the goods, service or work have been provided. Certification that this has occurred is usually provided by the Contract Manager; and
  • Must ensure that funds are available for the payment.

Separation of Delegations

28. One person should not carry out all four delegations within the same procurement.

Types of Procurement

29. Procurements can be classified into the following types. These types, and the required methods of procurement are:

Contracts exceeding One Hundred Thousand Dollars ($100,000)

30. Where the estimated value of a contract for the supply of goods, the rendering of a service or construction of works exceeds One Hundred Thousand Dollars ($100,000), exclusive of GST, open tenders shall be called.

Contracts exceeding Fifty Thousand Dollars ($50,000) but not exceeding One Hundred Thousand ($100,000)

31. Where the estimated value of a contract for the supply of goods, the rendering of a service or construction of works is between $50,000 and $100,000, exclusive of GST, either open or restricted tenders shall be called, as determined by the method of procurement delegate.

Contracts exceeding Five Thousand Dollars ($5,000) but not exceeding Fifty Thousand ($50,000)

32. Where the estimated value of a contract for the supply of goods, the rendering of a service or the construction of works is between $5,000 and $50,000, exclusive of GST, a minimum of three (3) quotations in writing shall be invited so as to ensure efficiencies within Council’s purchasing procedure and a reasonable measure of competition.
33. Notwithstanding paragraphs 30 and 31 above, the Chief Executive Officer may instruct that tenders be called for contracts less than $50,000.

Contracts not exceeding Five Thousand Dollars ($5,000)

34. Where the value or estimated value of a contract for the supply of goods, rendering of a service or the construction of works does not exceed Five Thousand Dollars ($5,000), exclusive of GST, quotations shall be obtained so as to strike a balance between efficiency, obtaining value for money, and giving potential providers the opportunity to bid for Council work:

- It is preferable to obtain three written quotes for purchases in excess of $1,000; and
- The details of verbal quotations should be recorded and placed on file.

35. The most advantageous quotation received having regard to price, quality, suitability and other relevant considerations, shall be accepted.

36. The usual contract to be used for such purchases is a Council purchase order.

Petty Cash

37. Items up to a total value of $50 may be procured using petty cash. Petty cash purchases require the approval of the delegated officer with budget responsibility for the purchases.

38. The methods of petty cash procurement are:

- Council Officers may use their own funds and seek reimbursement; or
- Council Officers obtain a petty cash advance and acquit after purchase.

39. Receipts are required for all petty cash purchases. Where GST has been charged it is to be itemised on the receipt.

Use of Council’s Common Seal

40. The common seal of Light Regional Council is to be affixed to contracts where the decision to enter into a contract has resulted from a resolution of Council.

41. The affixation of Council’s common seal must be attested by the Mayor and Chief Executive Officer.

All Tenders

42. For all tenders, facsimile tenders (sent to the facsimile number specified in the invitation to tender), or email tenders containing a scanned document with a clearly legible signature (sent to the email address specified in the invitation to tender), will be accepted provided they are received in full by the time and date specified, and are followed by the original documentation within three working days.

43. Tenders received by email without a signed, scanned tender will not be accepted, as their validity (evidenced by a tenderer’s signature) cannot be verified.

44. A tender must close at a specified time. All tenders not placed in the tender box prior to the specified closing time may not be considered unless Council is satisfied that:

(A) The tender was delivered to Council before the specified closing time; or
(B) Was either posted or despatched by a recognised carrier providing a direct delivery service to the registered office of Council in sufficient time to reach the Light Regional Council under normal circumstances before the specified closing time but was still in course of delivery by post or by the recognised carrier at the specified closing time.

45. In order to minimise the potential for a conflict of interest, influence by inducements or collusion with contractors to occur, all tenders are to be opened and recorded by, as a minimum, an elected member of Council and a Council staff member, and preferably by an elected member of Council, the Procurement and Contracts Administrator and the project’s Contract Manager.

All Contracts above $5,000

46. The Contracting and Procurement Officer is to be consulted regarding the most appropriate form of contract.

All Contracts above $50,000

47. The Contracting and Procurement Officer is to manage the tender process, including up until contract signature, for all contracts with an estimated value in excess of $50,000 excluding GST.

48. In the Contracting and Procurement Officer’s absence the Corporate Manager with the authority to commit Council to expenditure for that particular contract is to manage the tender process.

Alternative Procurement Methods

49. In keeping with Council’s intent to be efficient in its contracting procedures the following options are available:

- Period contracts, where a contractor agrees to supply goods or services at a certain price for a specific period;

- Contracts facilitated by Local Government Corporate Services, eg for electricity supply, uniforms, vehicles, or facilities management services. A decision to utilize such services should be referred to Departmental managers for their approval;

- Subject to satisfactory performance, and if stipulated in the original agreement, utilize options to extend a contract;

- Expressions of interest may be sought where Council wishes suppliers to propose innovative solutions to a requirement and needs to determine feasible suppliers and solutions before progressing to tender;

- Panel Contracts, where Council may establish a list (panel) of pre-qualified contractors, who satisfy Council’s occupational health and safety, quality management, technical proficiency, liability and financial viability requirements, and may also offer a pre-determined schedule of rates. Council may then seek restricted tenders or quotations from one or more pre-qualified contractors for a particular project; and

- ‘Cost Plus’ contracts, in which a contractor is reimbursed for actual costs plus a margin.

50. The Chief Executive Officer or Deputy Chief Executive Officer, within their financial delegation limits, may approve alternate procurement methods, in particular:

- In the case of emergency or for any other extraordinary cause (particulars of which emergency or other cause shall be indicated in the approval), either generally or in a particular case;
• For restricted rather than open tenders above $100,000 (including Panel and Cost-Plus contracts); or
• For sole-source arrangements above $5,000, including arrangements with other government agencies.

Mandated Single-Source Suppliers

51. Some works or services may only be provided from a mandated single source, for example SA Water connections or mandated services arranged by Local Government Corporate Services. In such cases the value of the work and terms and conditions must still be documented.

Non-Conforming Tenders and Unsolicited Offers

52. A non-conforming tender is a tender submission which does not conform to Council’s requirements.

53. An unsolicited offer is an offer by a prospective contractor which is not connected to a tender under consideration.

54. In either case the offer may be considered on its merits, and in the context of this policy, as to whether it best satisfies Council’s requirements.

Delegations

55. Appendix 2 outlines the approved delegation limits for Light Regional Council procurements. The thresholds for differing types of procurement, the budget and functional responsibilities of Council Officers, and the need for oversight of procurement processes have been considered in developing these delegation limits.

56. Subject to funds availability, contracts/purchase orders for goods, works and services may be issued by Council Officers within these limits of authority to commit Council to expenditure. Contracts for amounts exceeding a Council Officer’s delegation require approval by the appropriate delegate.

57. Where the project cost will exceed funds availability, approval must be sought to increase project funds through Council’s budget adjustment process before committing Council to expenditure.

58. The financial delegation is dependent upon the total cost of the contract over the contract life (for example a $40,000 per year contract over five years requires a $200,000 delegation approval).

59. It is a breach of authorisation to separate a single supply or service into parts with the object of issuing two or more contracts which individually do not exceed a limitation to incur expenditure, whereas the total cost would do so.

60. The CEO may vary the delegation authority for individual Council Officers for a specific project, up to the project’s approved funding amount.

61. In the case of emergency or for any other extraordinary cause (particulars of which emergency or other cause shall be indicated in the approval), either generally or in a particular case, the CEO may exceed the limit of funds availability. Where this occurs, the CEO shall take all reasonable steps to confer with the Mayor or at least two elected members of Council to advise of the action taken.
Filing of Contracts

62. A copy of all contracts is to be placed on file. Where there are separate ‘Tenders’ and ‘Contracts’ files, a copy of the contract is to be placed on each file, forming the conclusion of the Tenders file and the start of the Contracts file.

Contracts Register

63. The original Council copy of all signed contracts in excess of $50,000 shall be placed in Council’s Contracts Register.

Schedule of Contracts

64. The Schedule of Contracts provides a summary of Council’s key contracts. Key details of the following formalised agreements are to be recorded in this Schedule:

- Signed contracts in excess of $50,000;
- All service-level agreements;
- All goods and services contracts of greater than 12 months’ duration; and
- All other contracts of a complexity higher than a purchase order, including:
  - Consultancy agreements;
  - Minor Works Contracts;
  - Quarry (Rubble) Agreements;
  - Recycled Water Agreements; and
  - Equipment purchases utilising Council’s ‘Conditions of Contract – Equipment’.

65. As a minimum, the following details are to be recorded:

- Tender number (if applicable);
- Brief description of contract;
- Type of contract (eg, major works, quarry agreement, consultancy);
- Contractor/ supplier;
- Value of contract;
- Details of security and/ or retention moneys;
- Date signed;
- Term of contract (duration, date of expiry, or both, renewal options); and
- File number(s).

Securities

66. Securities are a means of ensuring a satisfactory contract completion, enabling Council to engage an alternate contractor if required, without incurring a financial penalty.

67. Security against a contractor’s satisfactory performance may be either by bank guarantee or retention moneys:

- As a minimum, the bank guarantee must be for an amount equal to the increase in project costs to Council, including Council staff’s wages, re-advertising costs, the new contractor’s
establishment costs, and the likely increase in contract value, if a contractor defaulted and a new contract had to be established;

- Retention moneys are usually calculated as 10% of each progress payment, until the required retention amount has been reached.

68. Security in either form, as determined by the Procurement and Contract Administrator (for contracts in excess of $50,000 excluding GST) or the Contract Manager (for contracts below $50,000 excluding GST) is required for the following types of contracts:

- Major works contracts;
- Minor works contracts in excess of $25,000 excluding GST; and
- Engagement of Consultants contracts in excess of $25,000 excluding GST.

69. Generally 50% of the security is released to the contractor at practical completion, the remainder being held until the completion of the defects liability phase of the contract. The residual security may be released to the contractor at an earlier stage (no earlier than practical completion), as determined by the Procurement and Contract Administrator (for contracts in excess of $50,000 excluding GST) or the Contract Manager (for contracts below $50,000 excluding GST).

70. It is the Contract Manager’s responsibility to ensure that the appropriate security is deposited or deducted from payments and managed throughout the contract. Details of bank guarantees are to be filed in Council’s Legal Documents Register.

Payments

Certification of Invoices

71. The Contract Manager is to certify that the amount claimed on a contractor’s invoice is in accordance with the work performed or deliverables provided, and is in accordance with the terms and conditions of the contract (including retention moneys).

72. This certification is required before payment can be made by the delegate with approval to incur expenditure.

Payment Methods

73. The preferred Council payment method is by bank transfer into a supplier’s bank account.

74. The alternate payment method is by cheque.

Progress Payments

75. Progress payments are permitted, usually based upon one of the following:

- A fixed value or percentage at set milestones, or
- The value of the goods received or work done.

76. The terms under which progress payments are to be made, and the method of calculation, should be specified in the tender and contract documentation.

Credit Cards and Fuel Cards

77. Credit Cards and Fuel Cards are a specific means of payment for particular goods or services.
78. Approval for the issue and use of a Council credit card must be sought from Council’s Finance Manager. They are issued on an individual basis and may only be used for specific types of purchases, up to an approved monthly limit and with a limit to the amount for individual purchases.

79. Fuel cards are provided with each Council vehicle.

80. Procedures for the use of Council credit cards and fuel cards, and acquittal of such expenditure, are in Council’s ‘Procurement – Credit and Fuel Cards’ procedure.

Variation of Contract

81. Variations to contracts may be for changes to price, scope or completion timings.

82. Variations are to be documented. All significant variations to the contract shall be recorded in the same folio of the Contracts Register as the original contract.

83. For any cost variations to the contract the Contract Manager is to advise the Finance Manager of the new value, if required seek approval for the increase, then amend the commitment on Council’s actual budget.

84. Variations shall be authorised, if practical, by the Council Officer who approved the original contract, provided that the new value of the contract is within their financial delegation. Alternatively, the variation must be authorised by the appropriate Council delegate.

85. Where the cumulative value of variations to contracts with an original value above $50,000 is above 10% or $20,000 of the contract value (whichever is the lesser amount), Council’s Audit Committee must be advised at the earliest opportunity.

Oversight and Auditing

86. Oversight of procurements is carried out to determine the extent to which Council’s procurement process is being followed. Such oversight is to be achieved by:

- Internal audits, where the Chief Executive Officer (or delegate) appoints a Council Officer to audit the procurement process followed for particular projects;
- External audits by third parties, as directed by the Chief Executive Officer (or delegate), or required by agencies such as the Local Government Association of South Australia and the Council’s Auditor; and
- Council’s Audit Committee, which may review the Contracts Register/Schedule of Contracts to gain an overview of Council’s procurement activity. The Committee may then conduct audits of specific projects.

Appendices:

1 Light Regional Council procurement system flowchart
2 Delegation Limits for Light Regional Council Officers
Light Regional Council Procurement System Flowchart

Budget (Programme Approval)

Project Approval (approval of requirement):
- Broad specifications/ scope of work
- Cost
- Timing

Method of Procurement
(Approval triggers release of funds)

Procurement:
- In accordance with agreed method of procurement
- Let contract (commitment)

Contract:
Register in Contracts
Register/ Schedule of Contracts (where appropriate) + copy on file(s)

Contract Administration:
- Project progress
- Ensure deliverables are met
- Authorise payments
- Dispute resolution

Audit
### Appendix 2: Light Regional Council Procurement Delegation Limits

<table>
<thead>
<tr>
<th>Position Held</th>
<th>Project Approval</th>
<th>Determine Method of Procurement</th>
<th>Commit Council to Expenditure</th>
<th>Authorise Payments</th>
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<tr>
<td>Risk Management Officer</td>
<td>Within Budget Limit</td>
<td>Within Budget Limit</td>
<td>$10,000</td>
<td></td>
</tr>
<tr>
<td>Executive Assistant to CEO</td>
<td></td>
<td></td>
<td></td>
<td>$10,000 (5)</td>
</tr>
</tbody>
</table>
(1) Where commitment exceeds budget, Council is to be informed of the reason(s) for the additional expenditure.

(2) The Corporate Manager, Corporate Services may exercise the CEO’s delegations in the CEO’s absence.

(3) Per invoice.

(4) Payroll only, per payment run

(5) For signing cheques only, two signatories required.

And furthermore, that the policy be reviewed within the first six months of its formal implementation to determine its operational affect with a report of review being submitted to the Committee for its consideration. CARRIED

**Item No:** 6.5  
**File No:**

**Subject:** Treasury Policy

(Report Withdrawn)

**Late Report**

Moved Cr Standish  
Seconded Cr Alcorn

That the Light Regional Council Audit Committee notes the presentation of a late agenda report concerning Land Under Roads Assets and that the Committee discuss its contents.

**Item No:** 6.6  
**File No:**

**Subject:** Land Under Road Assets

Moved Cr Standish  
Seconded Cr Alcorn

That the Light Regional Council Audit Committee recommends to Council that it not recognise as an asset, land under roads acquired before 30 June 2008 as it is the Committee’s view that fair value cannot be reliably measured; further the determination be reported at Note 1 to the 2008 annual financial reports. CARRIED

7. **REPORTS FOR INFORMATION**

<table>
<thead>
<tr>
<th>No:</th>
<th>Matter</th>
<th>Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.1</td>
<td>Annual Business Plan – 2008/2009 Financial Year</td>
<td>Richard Michael, Deputy Chief Executive Officer</td>
</tr>
<tr>
<td>7.2</td>
<td>Strategic Management Plan 2008 to 2018</td>
<td>Richard Michael, Deputy Chief Executive Officer</td>
</tr>
<tr>
<td>7.3</td>
<td>Finance Department Staffing</td>
<td>Richard Michael, Deputy Chief Executive Officer</td>
</tr>
</tbody>
</table>
7.4 Land under Road Assets

<table>
<thead>
<tr>
<th>Moved Cr Alcorn</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seconded Cr Standish</td>
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</tbody>
</table>

That the reports for information be received and the contents therein be noted by the Audit Committee.

CARRIED

8. PROCEDURAL MATTERS

8.1 QUESTIONS WITHOUT NOTICE
Nil

8.2 QUESTIONS ON NOTICE
Nil

8.3 DEFERRED MOTION
Nil

8.4 NOTICE OF MOTION
Nil

8.5 MOTIONS WITHOUT NOTICE
Nil

9. MEETINGS

A Special Meeting of Light Regional Council Audit Committee will be held in the Council Chamber, 93 Main Street, Kapunda on Tuesday, 10 June 2008 commencing at 5.00pm to discuss the Strategic Management Plan, the Annual Business Plan and 2008/2009 Budget drafts.

The next ordinary meeting of Light Regional Council Audit Committee will be held in the Council Chamber, 93 Main Street, Kapunda on Tuesday, 1 July 2008 commencing at 5.30 pm.

10. CLOSURE

The meeting was declared closed at 7.12 pm.

Minutes of the meeting confirmed at the meeting held Tuesday, 1 July 2008.

CHAIRMAN ..........................