



Rangitikei
UNAPOLOGY...

Rangitikei District Council

Finance/ Performance Committee Meeting

Minutes – Thursday 28 July 2016 – 9:30 a.m.

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Present: Cr Nigel Belsham (Chair)
His Worship the Mayor, Andy Watson
Cr Cath Ash
Cr Tim Harris
Cr Rebecca McNeil
Cr Ruth Rainey
Cr Lynne Sheridan

In attendance: Mr Ross McNeil, Chief Executive
Mr Michael Hodder, Community & Regulatory Services Group Manager
Mr George McIrvine, Finance & Business Support Group Manager
Ms Samantha Whitcombe, Governance Administrator

Tabled documents: **Item 7** **Chair's Report** – Chair's Report
Item 8 **Strategic financial overview for 2015/16** – presentation

1 Welcome

The Chair welcomed everyone to the meeting.

2 Council Prayer

The Chair read the Council Prayer.

3 Apologies/leave of absence

That the apology for absence from Cr McManaway and the apologies for lateness from Cr Harris and Cr Sheridan be received.

Cr Ash / Cr Rainey. Carried

4 Members' conflict of interest

Members were reminded of their obligation to declare any conflicts of interest they might have in respect of items on this agenda.

5 Confirmation of order of business

The Chair informed the Committee that there would be no change to the order of business from that set out in the agenda.

6 Confirmation of Minutes

Resolved minute number **16/FPE/031** **File Ref**

That the Minutes of the Finance/Performance Committee meeting held on 30 June 2016 be taken as read and verified as an accurate and correct record of the meeting.

His Worship the Mayor / Cr Ash. Carried

7 Chair's report

The Chair spoke briefly to his report providing a brief overview of the recent LGNZ Annual Conference in Dunedin. He would provide a more detailed report to the August meeting of Council.

Resolved minute number **16/FPE/032** **File Ref**

That the Chair's report to the Finance/Performance Committee meeting on 28 July 2016 be received.

Cr Belsham / Cr McNeil. Carried

8 Strategic financial overview for 2015/16

Mr McIrvine narrated a brief presentation on the progress with the year-end financial reporting for the 2015/16 year. He highlighted the fact that all results were dependent on the final sign-off through the audit process.

- End-of-year had a favourable cash position;
- Roading revenue was up by \$4.8 million; roading expenditure up by \$4.9 million;
- Savings against budget from other areas totalled \$0.9 million;
- Rates were up \$0.5 million from budget, potentially a combination of recovery of arrears

The Committee requested that the presentation be made available to all members.

Cr Sheridan arrived 9.42am

Cr Harris arrived 10.14am

9 Overhead Allocations

Mr McIrvine spoke briefly to the memorandum, providing a brief overview of how overheads are allocated.

Resolved minute number	16/FPE/033	File Ref	5-FM-16
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That the memorandum 'Overhead Allocations' be received.

Cr Rainey / Cr Ash. Carried

Cr Harris 10.16am / 10.20am

Cr Ash 10.20am / 10.23am

14 Presentation from Quotable Value

Simon Willicks, Rating Manager with QV provided the Committee with a brief overview of the process of revaluing the properties within the District. He informed the Committee that the process has been the same for many years and that there is a process for property owners to object to the valuation provided by QV (further detail on the objection process was provided). The next revaluation of the District would be September 2017. It had to be done at least once every three years. Doing it more frequently came at a substantial cost.

The following points were discussed:

- QV was a 'trend follower', relying on market evidence – if there was a marked recent change in the market (up or down), then the data selected would be concentrated in that period;
- Surveys sent to all rural property owners and a selection of commercial property owners;

- Low dairy pay-outs would eventually translate into lower prices for dairy property- but that had not been evident yet;
- Earthquake-prone buildings typically resulting in a reduction in market price – QV does not take into account the risk such buildings may present;
- Land-locked land similarly considered;
- Valuer-General currently considering whether manuka (for honey) will be included in the valuation – or excluded, as forestry is now;
- Rating Central Government owned land

The Chair thanked Mr Willicks for attending the meeting and addressing the Committee.

11 Provisional full-year Statement of Service Performance 2015/16

Mr Hodder spoke briefly to the provisional full-year Statement of Service Performance, highlighting the results of the calculation for water loss in each of the supplies (although the reasons for the variance had yet to be included in the report). There were other measures where the results were not yet available:

- formal compliance reports from Horizons were not expected until the end of August;
- the customer satisfaction measures for resolution of complaints (as distinct from initial response/attendance) would be calculated in mid August.

Resolved minute number **16/FPE/034** **File Ref** **5-FR-1**

That the 'Provisional full-year Statement of Service Performance 2015/16' be received

Cr Sheridan / Cr Rainey. Carried

Cr McNeil 10.59am / 11.03am

10 List of abandoned land and progress with rating sales

Mr Mclrvine spoke briefly to the report. The Committee suggested that applying local knowledge to this process would be beneficial and could mitigate any issues that may arise.

Elected Members agreed to pass to Mr Mclrvine the knowledge they had of these properties, which he would take into account before committing to formal investigation

Resolved minute number **16/FPE/035** **File Ref** **5-RA-1-2**

1. That the report 'Abandoned Land' be received.
2. That the Finance/Performance Committee note that expenditure on legal fees will be required before any property can be sold to recoup overdue rates.
3. That the Finance/Performance Committee endorse the concept of prioritising the order of legal effort to sell abandoned land and packaging this work with Council's

property portfolio work in order to achieve early cashflow and costs savings.

His Worship the Mayor / Cr Rainey. Carried

12 Assessing appropriate support for recurring high profile and high profile/community events through the Events Sponsorship Scheme

Resolved minute number **16/FPE/036** **File Ref** **3-GF-11**

That the report 'Assessing appropriate support for recurring high profile and high profile/community events through the Events Sponsorship Scheme' be received.

His Worship the Mayor / Cr Sheridan. Carried

13 Charging under LGOIMA – Ombudsman’s guidance

The Committee noted the guidance provided by the Ombudsman. It had been included in the Order paper because of its recent publication, not in response to any issue at the Council.

15 Late items

Nil

16 Future items on the Agenda

Nil

17 Next meeting

25 August 2016, 9.30 am

18 Meeting closed – 11.12am

Confirmed/Chair: _____

Date: _____