

Rangitikei District Council

Finance and Performance Committee Meeting

Minutes – Thursday 1 March 2018 – 9:30 AM



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Present: Cr Sheridan (Chair)
Cr Cath Ash
Cr Graeme Platt
Cr Ruth Rainey
Cr David Wilson
His Worship the Mayor, Andy Watson

Also Present: Cr Angus Gordon

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

1 Welcome

The Chair welcomed everyone to the meeting

2 Council Prayer

Cr Ash read the Council Prayer

3 Apologies/Leave of Absence

That the apology for the absence of Cr Belsham and Cr McManaway be received.

His Worship the Mayor / Cr Rainey. Carried

4 Members' Conflict of Interest

There was no declared conflict of interest

5 Confirmation of order of business

There was no change to the order of business

6 Chair's Report

There was no report received.

7 Minutes of Previous Meeting

Resolved minute number	18/FPE/001	File Ref
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That the Minutes of the Finance/Performance Committee meeting held on 30 November 2017 be taken as read and verified as an accurate and correct record of the meeting.

Cr Ash / Cr Wilson. Carried

8 Progress with strategic issues

The Committee noted the commentary in the agenda.

9 Financial Report – November 2017

Mr McIrvine spoke to the three financial reports for November, December and January as a block with the following highlights:

- Capital expenditure year-to-date is low (17% of budget) even taking into account committed purchase orders (as distinct from payment)
- The one off item expense for the transfer of vehicles from Council to FENZ.
- Council is working with Craig's Investment Partners regarding further investment opportunities for cash from matured bonds.
- Outstanding rate debtors continue to be sent to an external contractor (Debt Management Central) for rates collection.

Main points discussed were:

- Carry forwards on capital expenditure will be inevitable. A number of large expenses are scheduled for payment prior to the end of the financial year. The recently awarded Taihape Falling Main tender, as one large expense, has yet to show in the reports.
- Large project expenditure i.e.: Wastewater projects and the proposed new community centres (Bulls and Marton) will be carried forward. Such projects are 100% loan funded which will not be reflected in rates until loan commencement.
- The merits of short, medium and long term investment of cash were discussed.
- Consideration of the timeframe for planning, policy and tender of large works starting up to a year prior to work commencement, with the potential of including the required start date as part of the tender.
- The balance of the expense of chasing rates owed on abandoned land vs the realised value needs to be a consideration. Potential options such as Council purchasing such property were raised.
- Rates remission on landlocked land is at Council's discretion under its policy. If landlocked property has realised a level of economic viability Council can reassess rates remissions.
- The number of QV rate objections to the recent revaluations has been significantly lower than the previous revaluation. The period to objections has not yet closed. A summary will be provided to a future meeting.

Undertaking	Subject
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Mr McIrvine to investigate the regulations and possibility of Council purchasing abandoned land for resale, to recoup loss in rates.	
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Resolved minute number	18/FPE/002	File Ref	5 FR-4
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That the financial report for November 2017 be received.

Cr Rainey / Cr Ash. Carried

10 Financial Report – December 2017

Resolved minute number 18/FPE/003 File Ref 5 FR-4

That the financial report for December 2017 be received.

Cr Ash / Cr Rainey. Carried

11 Financial report – January 2018

Resolved minute number 18/FPE/004 File Ref 5 FR-4

That the financial report for January 2018 be received.

Cr Ash / Cr Rainey. Carried

12 Update from Subdivision Group

No formal update was provided. Several parties with the capacity to subdivide have approached His Worship the Mayor with regard to various properties in the District.

Mr McIrvine noted that approximately 527 properties have sold within the District in the past year. A portion of those properties being empty sections have the potential for subdivision. The sale of these properties has cleared a number of rate debts.

13 Late Items

None

14 Future Items for the Agenda

Report on housing purchases /movements/ statistics. Possibly as standing report.

QV summary on objections.

15 Next Meeting

Thursday, 29 March 2018, 9.30 am

16 Meeting Closed

10.22 am

Confirmed/Chair: _____

Date: