



# Rangitikei District Council

## Finance and Performance Committee Meeting

Minutes – Thursday 28 June 2018 – 9:30 AM

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**Present:**

- Cr Nigel Belsham
- Cr Cath Ash
- Cr Dean McManaway
- Cr Graeme Platt
- Cr Lynne Sheridan
- Cr David Wilson
- His Worship the Mayor, Andy Watson

**In attendance:**

- Mr Ross McNeil, Chief Executive
- Mr George McIrvine, Finance & Business Support Group Manager
- Mr Ashley Dahl, Financial Services Team Leader
- Ms Sheryl Bright, Rates and Revenue Officer
- Ms Nardia Gower, Governance Administrator

**Tabled Documents**

- Item 6** Chair's Report
- Item 9** Monthly Financial Report

## 1 Welcome

The meeting started at 9:32 am. The Chair welcomed everyone to the meeting.

## 2 Council Prayer

Cr McManaway read the Council Prayer.

## 3 Apologies/Leave of Absence

That the apology for the leave of absence of Cr Ruth Rainey be received.

Cr Ash / Cr Wilson. 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.

There was no declared conflict of interest.

## 5 Confirmation of order of business

There was no scheduled change to the order of business.

## 6 Chair's Report

Cr Belsham tabled his report, there were no questions put.

<b>Resolved minute number</b>	<b>18/FPE/107</b>	<b>File Ref</b>	<b>3-CT-14-1</b>
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That the Chair's Report to the Finance/Performance Committee meeting on 28 June 2018 be received.

Cr Belsham / Cr Sheridan. Carried

## 7 Minutes of Previous Meeting

<b>Resolved minute number</b>	<b>18/FPE/108</b>	<b>File Ref</b>
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That the Minutes of the Finance/Performance Committee meeting held on 31 May 2018 be taken as read and verified as an accurate and correct record of the meeting.

His Worship the Mayor / Cr McManaway. Carried

## 8 Progress with strategic issues

The Committee noted the commentary in the agenda.

## 9 Monthly financial report

Mr McIrvine spoke to the report. Comments raised by the Committee are highlighted:

- Elected members agreed that the budgets for the operational side and a capital side of major projects should be identified separately against the Community & Leisure Services budget, with options including line listing or through detailed commentary in the Top Ten Project report.
- The Ministry of Health subsidy for Rātana will be accrued in this year's revenue, but won't be received until the plant is fully commissioned next year. It was noted that this would not skew accounts for next year.
- Parcels of abandoned land are scheduled to be advertised for sale in local newspapers. The 25 properties are old parcels of land and are being dealt with by Debt Management Central. It is expected that some property sales will cover Council costs accrued. If the revenue from the sale is more than the debt owed, the profit is given to the Public Trust. Council is not allowed to profit from such sales; however, staff input time over the period of rate debt can be recovered.
- Past year's property sales in the Rangitikei District:

2013/14- 337

2014/15- 329

2015/16- 384

2016/17- 499

2017/18- 512 + - not counting family sales.

It was noted that figures reflect residential and aggregation sales.

- The line for Community Housing on page 21 of the Order Paper reflects the overall operating budget. The line on page 32 shows the Capital Renewals for the upgrading expenditure for Community Housing.
- It was suggested that for comparison purposes the graph-data be captured at a set standardised time such as 25 or 30 days after due date for rates, with further potential of a graph that is comparable to the same period last year.
- His Worship the Mayor commended on the high level of customer service by the Rates Finance Team.

### Undertaking

### Subject

A breakdown of sales by property types to be supplied to the Finance Performance Committee.

**Resolved minute number**                      **18/FPE/109**                      **File Ref**                      **5 FR-4-1**

That the 'Financial Highlights and Commentary – May 2018' to the Finance/Performance Committee on 28 June 2018, be received.

Cr Belsham / Cr McManaway. Carried

Cr Ash left at 10:14 – 10:16

## 10 EECA audit of power use

Mr McIrvine spoke to the report. Comments raised through discussion are highlighted:

- Cr McManaway spoke of the Hunterville Rural Water Supply Sub Committee's surprise that the report demonstrates that the power expenditure will remain high, as they expected suggestions of significant savings. However, the Committee is satisfied that the scheme is running as economically possible, noting the need to be conscious of water leaks. One potential improvement suggested was investigating technology that could better identify leak locations.
- It was noted the report suggests that a re-roof of Marton pool could save a potential \$25K - \$30K. Staff noted the suggestion of slowing the pumps down at night, to reduce energy usage, may result in lower water quality and is being investigated.
- Staff noted that Council receive a special power rate, and identified that the EECA report highlighted potential assets that could be receiving the wrong tariff. Staff are investigating lower rate options where possible.
- The report stated significant water use and loss through leakage at the Marton Pool. Staff commented that the report showed historical issues believed to have been rectified. Mr Nicholls, due to present to the Assets/Infrastructure Committee on 12 July, will be briefed to update the Committee on the current state of leakage issues of both Marton and Taihape pools.

### **Undertaking                      Subject**

Ms Prince to inform Mr Nicholls to update the Assets/Infrastructure Committee on the current state of leakage issues of both Marton and Taihape pools, during his presentation to the Committee on 12 July 2018.

**Resolved minute number**                      **18/FPE/110**                      **File Ref**

That the report 'EECA Energy Audits Hunterville Rural Water Supply, Marton Swim Centre, Marton Wastewater Treatment Plant and Taihape Wastewater Treatment Plant' be received.

Cr Ash / Cr Sheridan. Carried

Cr McManaway left at 10:32: 10:34

## **11 Update from Subdivision Group**

The subdivision Group has not met again. However, the Chief Executive and His Worship the Mayor have met with the principals of a real estate company to discuss options on working together.

The Chief Executive informed the Committee that conversation has been initiated with developers from Whanganui who are interested in two Bulls properties, in particular the Walton Street site. However, at this stage the capital requirement to front end is not yet available. Another potential developer, with previous experience, has also shown interest.

## **12 Late Items**

Nil

## **13 Future Items for the Agenda**

Nil

## **14 Next Meeting**

Thursday, 26 July 2018, 9.30 am

## **15 Meeting Closed**

10:44 am

**Confirmed/Chair:** \_\_\_\_\_

Date: