

# MINUTES

## FINANCE/PERFORMANCE COMMITTEE MEETING

**Date:** Thursday, 29 April 2021

**Time:** 9.30 am

**Venue:** Council Chamber  
Rangitikei District Council  
46 High Street  
Marton

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**Present:** Cr Nigel Belsham  
Cr Fi Dalgety  
Cr Cath Ash  
Cr Brian Carter  
Cr Tracey Hiroa  
Cr Dave Wilson  
Cr Gill Duncan  
His Worship the Mayor, Andy Watson

**In attendance:** Mr Peter Beggs, Chief Executive  
Mr Girish Meher, Team Leader – Financial Services  
Mrs Jess Mcilroy, Senior Project Manager - Infrastructure  
Mr Ash Garstang, Governance Administrator

**Order of Business**

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## 1 Welcome

Cr Belsham opened the meeting at 9.30am.

## 2 Apologies

**Resolved minute number** **21/FPE/001**

That the apologies for Cr Panapa and Cr Gordon be received.

Cr Wilson/Cr Hiroa. Carried

## 3 Public Forum

Nil.

## 4 Conflict of Interest Declarations

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

There was no change to the Order of Business.

## 6 Confirmation of Minutes

**Resolved minute number** **21/FPE/002**

That the minutes of the Finance/Performance Committee Meeting held on 25 March 2021 (with below amendments) be taken as read and verified as an accurate and correct record of the meeting.

1: Remove the line "... although this depreciation can be deferred" from item 8.5.

2: Item 8.1: correction, HWTM noted that it should read "... several Capital Works **not** completed this year".

HWTM/Cr Carter. Carried

## 7 Reports for Information

### 7.1 Chair's Report

Cr Belsham reminded the Committee to submit queries to staff as early as possible, so that staff are able to prepare answers prior to the meeting.

**Resolved minute number** **21/FPE/003**

That the Chair's Report to Finance / Performance Committee be received.

Cr Belsham/Cr Ash. Carried

### 7.2 Follow-up Actions from Previous Meeting

Staff to remove the status comments from item 1.

**Resolved minute number** **21/FPE/004**

That the report 'Follow-up Items from Previous Meetings' (with amendment: the status comments are to be removed from item 1, as they are incorrect) be received.

Cr Ash/Cr Gordon. Carried

### 7.3 Financial Snapshot - March 2021

#### Rates Remissions

Cr Wilson asked if the rates remission policy is scheduled for a review. Mr Beggs will come back to the Committee with more information about unbudgeted rates remissions.

#### Turakina Valley Road

Cr Wilson asked if this expenditure would be subsidised by Waka Kotahi. The Mayor advised that it's \$800,000 of capital works, but Council would claim a majority (around 63%) of this from Waka Kotahi.

#### Operating Expenses and Depreciation Budgets

Mr Beggs provided more information on this. Salary costs have increased, as more staff have been hired. These new staff are key for long term planning. Additionally, building and resource consents have increased which has required more planners to be brought on as consultants.

Mr Beggs advised that he is aiming to be upfront about our goals to Council – what staff can complete and what they cannot. In line with this, staff are presuming that there will be roughly \$10m that will not be spent and will not hit depreciation schedules in the future.

The Committee agreed that they approved of Mr Beggs comments and agreed that Council needs to increase our capability and people in order to achieve long term goals.

### Putorino Landfill

Mr Beggs explained that the excavation of the Putorino Landfill is currently underway, but that he is unable to advise what the total expense for disposal will be. This is because the contents of the landfill (especially at deeper levels) are currently unknown. If the contractors discover asbestos or other toxic material, this will increase disposal costs.

Mrs Mcilroy stated that contractors are one month into the excavation and have not found any toxic material at this stage. She further stated that this is a promising sign, and the excavation is in good progress, but reiterated Mr Beggs comments that staff cannot accurately estimate the future costs of disposal until excavation is completed.

Mrs Mcilroy indicated that she is going to invite elected members to visit the site so that they can see our Health and Safety practices in action.

In response to a query from the Committee, Mrs Mcilroy advised that excavation is due to take two more months (dependant on weather), and disposal should hopefully be completed by the end of the year.

### End of Year carry overs

The Committee queried the variance in the year-to-date budget and whether this is above or below (e.g. positive or negative). Mr Meher advised that he was unable to answer this. Mr Tombs will get back to the Committee with an answer to this query.

**Resolved minute number** **21/FPE/005**

That the report 'Financial Snapshot – March 2021' to the Finance and Performance Committee meeting (with amendment: item 1.2.2 to be removed) be received.

Cr Belsham/Cr Dalgety. Carried

### **7.4 Quarterly Property Sales**

The Committee took the report as read, and commented that there was a big variance between capital value and what people have paid (due to the current housing climate).

**Resolved minute number** **21/FPE/006**

That the report on quarterly property sales be received.

Cr Duncan/Cr Ash. Carried

### **7.5 QV Monthly Report**

Mr Beggs commented that there is a national shortage of building control officers. A neighbouring Council has lost staff to Kāinga Ora, partly due to Kāinga Ora offering higher salaries. This is likely to produce more staffing pressure on local government authorities. In terms of the Rangitikei District Council, we are taking on a new building control officer and will soon employ a cadet as well to be internally trained.

Cr Gordon asked if it was possible for Council to leverage off Kāinga Ora (e.g. contract their building control officers). Mr Beggs advised that that was a possibility, but he would like to see how our two new building control officers go first.

**Resolved minute number**                               **21/FPE/007**

That the March 2021 QV Monthly Report be received.

Cr Carter/Cr Hiroa. Carried

**The Meeting closed at 10.28am.**

**The minutes of this meeting were confirmed at the Finance/Performance Committee held on 27 May 2021.**

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**Chairperson**