

MINUTES

FINANCE/PERFORMANCE COMMITTEE MEETING (VIA ZOOM)

Date: Thursday, 26 August 2021

Time: 10.30 am

Venue: Council Chamber
Rangitikei District Council
46 High Street
Marton

Present

- Cr Nigel Belsham
- Cr Fi Dalgety
- Cr Cath Ash
- Cr Brian Carter
- Cr Angus Gordon
- Cr Tracey Hiroa
- Cr Dave Wilson
- Cr Gill Duncan
- HWTM Andy Watson (ex officio)

In attendance

- Mr Peter Beggs, Chief Executive
- Mr Arno Benadie, Chief Operating Officer
- Mr Dave Tombs, Group Manager – Corporate Services
- Mrs Carol Gordon, Group Manager – Democracy and Planning
- Mr Danny Le Mar, Manager Financial Services
- Ms Kat McDonald, Management and Systems Accountant
- Mr Ash Garstang, Governance Administrator

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1 Welcome / Prayer

Cr Belsham opened the meeting at 10.31 am. The Mayor read the Council prayer.

2 Apologies

Resolved minute number **21/FPE/030**

Cr Hiroa needs to leave at 11.30 am. Cr Panapa was not in attendance.

Cr C Ash/Cr D Wilson. Carried

3 Public Forum

Nil.

4 Conflict of Interest Declarations

Nil.

5 Confirmation of Order of Business

Nil changes.

6 Confirmation of Minutes

Resolved minute number **21/FPE/031**

That the minutes of the Finance/Performance Committee meeting held on 24 June 2021, without amendment, be taken as read and verified as an accurate and correct record of the meeting.

Cr G Duncan/Cr D Wilson. Carried

7 Follow-up Action Items from Previous Meetings

7.1 Follow-up Action Items from Finance/Performance Meetings

In response to a request for more information, Mr Beggs clarified that Ngāti Apa have been advised of Council's intention to resume charging rates for the Ngā Wairiki training facility.

to pay for it through motor vehicle insurance – these types of costs could be covered directly by Council.

There was an array of opinions on the option of retaining or removing motor insurance cover. Some elected members felt that the savings that could be gained by not having motor vehicle insurance were relatively small and would be an unworthy risk. The Committee also noted that third party cover could be treated as an independent issue of full motor insurance cover.

Mr Beggs noted to the Committee that the savings identified in this report had been incorporated into Councils Long-Term Plan 2021-31, and that if these proposed savings were subsequently declined by Council this would cause unbudgeted expenses. Ms McDonald confirmed that the full amount of \$587,000 in projected savings had been incorporated into the Long-Term Plan budgets.

Recommendation

The report 'Insurance' be received, and that the Finance/Performance Committee recommends that Council makes the below changes:

- Change its insurance programme by increasing “deductible on Material Damage” from \$10k to \$250k.
- Change its insurance programme and remove “Material Damage additional cover”.
- Change its insurance programme by increasing “Infrastructure Programme deductible” from \$250,000 to \$2 Million (in 100% Terms).

HWTM A Watson/Cr T Hiroa. Lost

Resolved minute number **21/FPE/034**

That the report 'Insurance' be received.

Cr C Ash/Cr A Gordon. Carried

Resolved minute number **21/FPE/035**

That the Finance/Performance Committee recommends Council change its insurance programme by increasing “deductible on Material Damage” from \$10k to \$250k.

HWTM A Watson/Cr T Hiroa. Carried

Cr Ash voted against the recommendation.

Resolved minute number **21/FPE/036**

That the Finance/Performance Committee recommends Council change its insurance programme and remove “Material Damage additional cover”.

Cr T Hiroa/Cr D Wilson. Carried

Cr Ash voted against the recommendation.

Recommendation

That the Finance/Performance Committee does not recommend that Council change its insurance programme by increasing “Infrastructure Programme deductible” from \$250,000 to \$2 Million (in 100% Terms).

Cr G Duncan/Cr C Ash. Lost

Resolved minute number 21/FPE/037

That the Finance/Performance Committee recommends to Council to further consider changes to its insurance programme, and requests staff to provide supporting information, by increasing “Infrastructure Programme deductible” from \$250,000 to \$2 Million (in 100% Terms).

HWTM A Watson/Cr D Wilson. Carried

Cr Hiroa left the meeting at 11.27 am.

Recommendation

That the Finance/Performance Committee does not recommend Council change its insurance programme by removing “Motor Insurance cover”, noting this includes related third party cover.

Cr N Belsham/Cr G Duncan. Lost

Resolved minute number 21/FPE/038

That the Finance/Performance Committee recommends that Council consider changes to its insurance programme by removing “Motor Insurance cover”, and to consider whether there could be a separation regarding third party cover.

HWTM A Watson/Cr A Gordon. Carried

9.2 Budget Reduction - Rate Remission

In response to a query, Mr Beggs advised that rates from new houses are not factored into the Long-Term Plan. Revenue from these rates would be unbudgeted, although Mr Beggs noted that most owners of new builds would likely apply for the \$5,000 remission.

Resolved minute number 21/FPE/039

That the report Budget Reduction – Rate Remission be received

Cr C Ash/Cr B Carter. Carried

Resolved minute number 21/FPE/040

That the Finance/Performance Committee recommends that Council approves the reduction to the rates remission budget of \$100,000.

Cr D Wilson/HWTM A Watson. Carried

10 Reports for Information

10.1 Financial Snapshot - June 2021 Draft Figures

Mr Tombs noted that these figures are subject to year-end adjustments.

In response to a query, Mr Tombs advised that that 2021/22 roading budgets do not take Waka Kotahi's reduced funding into account. Mr Beggs expanded on this and advised that Waka Kotahi are currently hoping for additional funding from central government. Therefore staff are unsure if the roading funding from Waka Kotahi will change.

Cr Ash advised that she had several detailed questions and would like to raise these via email with staff. Mr Beggs confirmed that staff were happy to receive the councillor's questions.

Resolved minute number **21/FPE/041**

That the report 'Financial Snapshot – June 2021' be received.

Cr C Ash/Cr B Carter. Carried

10.2 QV Monthly Report- June 2021

Mr Le Mar presented the report and requested feedback from elected members about the new graph (covering two years of prior data from QV). The Committee were appreciative of this information and confirmed that they would like to continue receiving this in future reports.

Resolved minute number **21/FPE/042**

That the 'QV Monthly Report- June 2021' be received

Cr F Dalgety/Cr G Duncan. Carried

10.3 Quarterly Property Sales

The Mayor queried if these figures took June's new valuation into account, or whether they were sourced from a prior valuation. Staff were uncertain and undertook to investigate this further and provide an answer at a later date.

Resolved minute number **21/FPE/043**

That the report 'Quarterly Property Sales' be received.

Cr F Dalgety/Cr A Gordon. Carried

10.4 LGFA - General Information

Mr Tombs advised that Council is not currently a guaranteeing member of LGFA (Local Government Funding Agency), however we will need to become a guaranteeing member in the future and this is

a requirement to borrow more than \$20 m. This change in status will not be brought back to Council for a decision/confirmation, as it was a decision made within the Long-Term Plan 2021-31.

The Committee advised that they would like to receive this report every six months.

Resolved minute number 21/FPE/044

That the report 'LGFA – General Information' be received.

Cr C Ash/Cr G Duncan. Carried

Mr Beggs advised the Committee that this would be Ms McDonald's last meeting with our Council.

Cr Belsham thanked Ms McDonald for all of her support and wished her the best, on behalf of the Finance/Performance Committee.

The meeting closed at 12.18 pm.

The minutes of this meeting were confirmed at the Finance/Performance Committee held on 30 September 2021.



Chairperson (Cr Nigel Belsham)