

## Whangarei District Council Finance and Support Committee meeting – 22nd August 2012

### [LINK to the appropriate Agenda](#)

This month's Finance meeting started at 0900hrs with Cr Warwick Syers in the chair wishing all a good morning and welcoming everyone to the meeting.

Warwick advised there were no apologies received, as "it was a full house". *Or was that a Phil Halse?*

Item No. 1. Minutes of a Meeting of the Finance and Support Committee held 25 July 2012 (Page 1) (0900hrs)

Moved: Cr Greg Martin, Seconded: Cr Jeroen Jongejans.

These were received with no discussion required.

With the time still at 0901hrs, Item No.2 Financial Report for the Twelve Months Ending 31 July 2012 (Page 3)

Group Manager Support Services Alan Adcock was asked by the chair to give us a run down on the report. Alan advised that this was one month that's hard to get a picture. It was very difficult with limited value putting out the accounts. He explained that in Capex (Page 15) there was a large amount of money carried forward. The total spend of \$82million was explained on page 18.

Cr Warwick Syers advised that the \$18,711,252 is high, in estimated brought forward and was because of the bridge project.

Alan Adcock went on to say, despite comments being made in the media, there was nothing hidden in internal borrowing and all was being disclosed. *We know who you are referring to Alan; it was ok to employ him for 20 plus years, but when he leaves you are not keen on him speaking out.*

Debt was now up to \$175.495 million and was well within our limits. *And they were going to keep your debt at \$135million. Are they out of control or are the limits they have set correct?*

Cr Kahu Sutherland's phone rang out bringing this session to a timely close. *Don't like talking about debt?*

Interesting to note \$2.231 million of rates outstanding in 90 days and over.

Moved: Cr John Williamson, Seconded: Cr Shelley Deeming.

Cr John Williamson had queries on the brought forwards. Were these a lot of small projects being deferred? These are projects specifically added for the community.

Cr Greg Martin advised that the problem was 'big spend ups' at the beginning of the year. We must prioritise and look at the debt line.

Cr Sue Glen, showing concern, we have only just accepted our Long Term Plan and here we are talking about borrowing more. You are right Sue some want 'their' projects done at the expense of the ratepayers.

Cr Warwick Syers advised they should be proactive in the Infrastructure and Services committee as that is where most the dollars are spent.

Cr Sue Glen added that it worried her. *Yes lucky those making the decisions are not 'held to account'.....YET.*

Cr Shelley Deeming informed that she had sympathy for what Cr John Williamson says; she hoped the projects don't get leap-frogged by some newer projects. *Well Shellsy, just look closely at someone in your department who is pushing his little barrow.*

Cr Brian McLachlan added that "it was hard for staff to work in the budget but were being asked to get jobs done; it was a catch 22 position".

Cr Merv Williams had a couple of pertinent points to discuss; 1/ Reporting. He voiced his dissatisfaction. We end up with big lumps that are absolutely meaningless. 2/ Yesterday we were presented with the tourism figure and he expected that to be shown under economic growth. We are going to end up in a deficit. We need to look at the bigger picture; if we meet budget properly and approve all projects we will end up with \$162million debt.

Alan Adcock advised when questioned that there was \$22million in property sales. *Is this on top of the \$20 million used in 'anticipation of the Old Boys sale' to balance the books?*

Cr Merv Williams replied, 'only \$22million'. Then the debt could be up to \$220million.

Cr Warwick Syers advised that he was being confused with the figures. *Oh and we thought you were the 'Ace' in all this, Warwick and Merv can confuse you? Bring on a forensic audit!*

Cr Merv Williams continued with 'I m happy to get up with a whiteboard and explain it; I know some of you don't like what Mr Harris is saying in his articles' *You named him Merv, not me, but good on you.*

Cr Warwick Syers went on to say 'we have accounted for it in the 10 year plan. There won't be many councils going into their plans and having the same debt at the end'. *Maybe others will be coming out in a better position by being frugal with their spending decisions.*

Warwick continued, 'we had to fix sewerage, we had to do the Porowhini bridge and extension, we had to.....' *You didn't HAVE to do some of those projects; you chose to do some. Some were not BASIC INFRASTRUCTURE but the wants of a few not the NEEDS of the SILENT MAJORITY.*

Warwick, *still on his soap box*, 'Our plan can manage it, we are in a bubble.' *Yeah right and bubbles can pop real easy. What happened about the \$135 million debt maximum that was promised?*

Alan Adcock advised Merv and the meeting that he wasn't present at the tourism trust meeting yesterday, but will talk to you later.

Cr Brian McLachlan confirmed that the Long Term Plan doesn't state some of the figures; there is a bit of confusion.

Time was now at 0930hrs and on to Item No. 3, Positive Growth Group Report on Recent Activities (Page 22)

Moved: Morris Cutforth, Seconded: Cr Sue Glen.

Jude Thompson, WDC Chief Operating Officer, advised that she would take the report as read but wished to talk and high light a couple of points. The Events Centre graph (page 24) shows its utilisation. Pensioner housing had received visits from a couple of councillors.

Cr Greg Martin advised that when they (council) sub-contracts things out they must watch what is happening. All the tenants were delighted we had been out. He wanted to congratulate Mike Hibbert, Property & Community Services Manager, for upgrading showers, wheel chair access etc. *Yes great these are certainly things that Council must have foremost in their plans when catering for our ageing population especially when in the 'pensioner housing' business.*

Cr Sue Glen claimed, 'as landlords we couldn't get better'. There were a number of photos taken by residents of their visit. *Could that be to pin on the fridge to remind them what you look like, as they only see some councillors leading up to election time?*

Sue continued that the residents were happy people and the state of the buildings was good. *Maybe councillors should have looked before the renovations?*

Jude Thompson advised that Maori relationships were relatively active. In the area of Economic development; FIFA are coming in November to pay a visit. It was disappointing that 'Oracle' had decided against coming here due to external factors. There had also been a couple of visits of organizers of the Cricket World Cup.

Cr Sharon Morgan asked if there was anything in the budget for the stage in the theatre.

Jude Thompson advised she would have to get back to her.

Cr Sharon Morgan asked if there was to be changes to parking at the airport because of revenue being 80% of budget.

Mike Hibbert, Property & Community Services Manager, gave some brief details of proposals, *without giving too much away.*

Cr Crichton Christie asked if councilors will have a say in parking proposals.

Cr Kahu Sutherland queried 'Mineral and Petroleum Exploration Hui' on page 28. He hadn't heard about Maori being active. He also queried how many staff had taken up the offer on Treaty of Waitangi training.

Jude Thompson advised that about 60 had.

Cr Jeroen Jongejans queried that with the future events of FIFA and Cricket World Cup what was the situation of shortages of hotels.

Jude Thompson advised that they were in a process in identifying a site but that remained confidential at this stage but a decision on it was expected in 4 weeks.

Time now at 0942hrs Item No. 4, Quarterly Economic Monitor March 2012 on Whangarei by Infometrics (Page 31)

Moved: Cr John Williamson, Seconded: Cr Shelley Deeming.

There was no further discussion on this item.

Time now at 0943hrs Item No. 5, Whangarei Love it Here! (Page 41)

Cr Warwick Syers advised that time was of the essence for this item with another meeting for 10.00am.

Jude Thompson gave a brief introduction and handed over to Pete Gleeson, WDC Economic Development Manager for the presentation.

Pete Gleeson advised that 'he was an import as he had only been here for 7 years', and was happy at the progress of things happening.

The presentation was great and showed the way in how Whangarei was being promoted to make Whangarei the place to "live, work and Play in".

*I would love to see the word 'invest' in that catch phrase, to demonstrate the possibilities and opportunities to those wishing to move and reside in our town.*

Moved: Cr Sharon Morgan, Seconded: Cr Jeroen Jongejans.

Cr Merv Williams asked what the budget was for the 'Love it here' campaign.

Pete Gleeson advised it was \$30,000-00. *In my opinion, it's been a great campaign and certainly put Whangarei on the map.*

Cr Warwick Syers advised the meeting that overseas news media had gone to 'positive' rather than 'negative' reporting. *That's great, but the media must be given the opportunities; what's positive about a \$175million debt?*

Cr Sharon Morgan insisted that they must welcome people and promote it.

*Yeh, well stop sending 'bullies' to the airport in an attempt to intimidate people and when they get caught reprimand them appropriately; not just a slap over the wrist with a wet bus ticket. Next thing you know this one will be claiming ACC for the little slap which he may have received?*

Cr Phil Halse requested an amendment to the recommendation which was duly accepted by all.

Cr Warwick Syers advises at 0953hrs that the meeting ends and, thanks all for attending.

Not much time for a coffee and chat before the Council meeting at 1000hrs so we waited in anticipation for what Morris could have in store for the next episode of 'Life with Morry'.

**All information in regards to this meeting's agenda and others are available on the Whangarei District Council website by clicking on this [link](#).**