

Whangarei District Council Finance and Support Committee meeting - 24th August 2011

[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 those present. Warwick also greeted the "Travelling Mayor". *Morris 180° Cutforth is back after his vacation on sick leave and now back to charade again as a mayor.*

Click for [A bit of light entertainment](#) (Got to be something in it)

There were no apologies.

Item No. 1. Minutes of a Meeting of the Finance and Support Committee held 27 July 2011. (0900hrs) These were received with no discussion required.

Item No. 2. Financial Report for the month ending 31 July 2011 was received with the time at 0901hrs.

Cr Warwick Syers asked Group Manager Support Services Alan Adcock to give a brief. Alan Adcock explained there were 3 main items to highlight. Debt had exceeded the policy limit of \$1900-00 per person. The Financial report was to be presented the same as the Annual Report. As of Monday evening after the latest rates installment the debt was at \$147million. *Something to be mighty proud of; yeah right.*

He continued that 40% of rates were paid up in full as of the 1st installment.

Cr Brian McLachlan thanked the chair and staff for clear budget figures. He wanted to know, as the subject was presently topical, does the council have a credit rating.

Alan Adcock replied 'No'.

Cr Aaron Edwards asked at what part of the revenue cycle is debt level applied at or was it only at favorable times.

Alan Adcock informed it should be applied all the time. *Really?*

Cr Aaron Edwards queried if the litigation costs associated with Mander Park were in the figure in line 22 on page 9?

Cr Greg Martin, referring to page 6, wants a 5 year average for where debt should be on the graph. He also asked 'what plans do we have for when interest rates go up, as it could cost 5 to 6 million more in interest?' He continued 'I know I am the old groucher in council but I am concerned about the debt and we need to keep an eye on it.' *As chairman of Infrastructure if you stopped spending on some of your way out and unnecessary projects the debt wouldn't be where it is. Wake up the debt is growing because you are spending.*

Cr John Williamson wanted to know what % of rates had been collected this year compared to previous years.

Alan Adcock informed that those figures were not yet available as payments were still being processed.

Cr Merv Williams had a couple of questions regarding developer contributions.

Time at 09hrs it was Item No. 3. Support Services Group –Report on Recent Activity at 0922hrs.

Warwick Syers explained that this was basically an information paper. His comment said and no further discussion was forthcoming.

That's strange I noticed some interesting items throughout this section so maybe questions will have to be raised through other mediums.

Item No.4. CEO's Office – Report on Recent Activity. (0923hrs)

No discussion was required for this item.

Item No. 5. Delegated Authority – Financial. (0924hrs)

Cr Brian McLachlan wanted confirmation that while they had this authority, isn't it about how they spend it.

Alan Adcock confirmed that they have a spend limit for the year, which is monitored. This limit includes salary budgets. He elaborated by stating; they raise a requisite, this is approved, the goods are receipted and entered into the system, from this an invoice is generated.

Cr Greg Martin questioned 'how do you monitor if money is spent unwisely?'

Alan Adcock explained that the system can show that up. He advised that an auditor look at it every year.

Cr Greg Martin asked 'Isn't it true that the audit is of the process, not what it is spent on?'

You are edging around something here Greg; what do you know that is not being discussed? Who is abusing their privileges? Do we have to guess? Gee that will be

hard. We will just have to start digging.....Dig enough and you are sure to find something.

The meeting was over by 0928 hours and Warwick thanked all for attending.

It was off to the library for a coffee & chat readying oneself for the Council meeting at 1000hrs.

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