

[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 apologies for His Worship Mayor Morris Cutforth and Cr Kahu Sutherland for lateness.

Moved: Cr Crichton Christie, Seconded: Cr Greg Martin.

This next item, below, was showing in the agenda but was not mentioned in the meeting.
Perhaps at times, it's a little alien to this lot?

CONFLICTS OF INTEREST

Members are reminded to indicate any items in which they might have a conflict of interest.

Time at 0900hrs, Item No. 1. Minutes of a Meeting of the Finance and Support Committee held 22 May 2013 (Page 1)

Moved: Cr Shelley Deeming, Seconded: Cr Aaron Edwards? *This chair does not repeat who moved and seconded and it is hard to hear sometimes.*

These were received with no discussion required.

With the time now at 0901hrs, Item No. 2. Financial Report for the Eleven Months Ending 31 May 2013 (Page 3)

Warwick asked Group Manager Support Services Alan Adcock to go through the report in the normal fashion and give a brief overview.

Alan Adcock advised with Development contributions down it offset the deficit. There were some savings with Capex. There was an over budget of \$1million in the Lower Hatea crossing and this would be offset with property sales of Lower Hatea project land.

In reference to Item 17, Page 16, this was the Rust Ave Bridge and this project was being held off till next year as they were waiting for funding from NZTA.

Debt Limits, page 23 it was noted borrowing levels available compared to forecast maximum levels had been exceeded.

Page 24, Deferred Settlements; only one ratepayer had not contributed to the Ruakaka Waste Scheme. *Fairly good result I would have to say.*

Moved: Cr Brian McLachlan, Seconded: Cr John Williamson.

Cr Aaron Edwards had a query in reference to Page 16, Line30, new footbridge; asking how the budget was put together on this and where was it.

CEO Mark Simpson believed it was not for Mander Park but could be for the Tawera Park footbridge, claiming he will check it out.

There was no added discussion on this item.

Time was now at 0909hrs and on to Item No. 3. Proposed Fees and Charges 2013/2014 (Page 25)

The recommendation was moved: Cr Aaron Edwards, Seconded: Cr Merv Williams. There was no discussion on this item.

With the time at 0910hrs, Item No.4. Whangarei District Council Credit Rating (Page 60) Cr Warwick Syers advised 'this was a report on the council credit rating being AA- which would be controversial to some of our critics'. *Who is he referring to? In my opinion and in the opinion of many experienced people in this town, our debt is too high and the associated costs that go with it.*

Want some facts? [Link to Larry Mitchells 2013 League Table](#) (and by the way also you can check out [Larry's qualifications](#))

Alan Adcock explained that it was about their ability to service debt. Check what our rate burden is and their ability to increase rates. Only one other district council is above us and that is New Plymouth. *Tell that to those that are struggling in our community.*

Alan Adcock explained how council had deferred some capital expenditure.

Moved: Cr Brian McLachlan, Seconded: Cr Jeroen Jongejans.

Cr Phil Halse explained that both figures (short term & long term) were above the national average congratulating the chairman of the Finance Committee for this position.

Cr Brian McLachlan had a question on the level of depreciation.

Alan Adcock explained that they were depreciating at a much higher rate than other councils and that was to match their renewal program. Rates are based on expected life time of assets. *Is that with or without maintenance being spent on council assets, as many assets appear to be neglected and need maintenance to retain their values?*

Cr John Williamson and Cr Shelley Deeming fielded questions.

Cr Sue Glen suggested that if they hold this line we will be in the same position next year.

Cr Merv Williams was happy with where we are at present; 'hold the line'. Spending as they are doing is unsustainable; they need to lower their expectations or down grade as they have to stick to the plan.

Cr Warwick Syers claimed that they always said "we would have a 'bubble of expenditure' and had taken advantage of funding available at those times from government".

[Link to Warwicks theme song.](#)

There was no further discussion on this item.

Time was now at 0923hrs and on to Item No. 5. Quarterly Economic Monitor March 2013 (Page 78)

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

Jude Thompson, WDC Chief Operating Officer gave a power point presentation. Check out the chart on Page 79 in the agenda; makes some interesting reading.

Cr Kahu Sutherland joined the meeting at 0928hrs.

Cr Jeroen Jongejans commented that there had been a change of visitor mix; from a decline in European/ British visitors, now to an increase in Chinese visitors was being seen.

Cr Merv Williams noted in the previous agenda item re population numbers; do you have statistics on people aged over 65? *Bet Winston Peters knows these !!!!*

Cr Jeroen Jongejans, checking his 'I-something', claimed by 2026 there would be more over 65 than under 15.

CEO Mark Simpson informed that those figures would be in the 30/50 Futures document.

This guy appears to know where all the information is.

Cr John Williamson suggested that it was most interesting that many retirement facilities are doing major developments in Whangarei. *Yep he is correct, check out what it costs to move into a retirement establishment per week.*

There was no further discussion on this item.

With the time now at 0932hrs, Item No. 6. Whangarei District Airport Statement of Intent 2013/2014 (Page 88)

The report was moved by Cr Brian McLachlan, Seconded: Cr John Williamson.

Cr Brian McLachlan commented that after attending a recent meeting there, by account all appears to be running well. There are a few small issues but we can work through those. There was no further discussion on this item.

Cr Warwick Syers advises at 0933hrs that the meeting ends and, thanks all for attending.

Off for a stretch of the legs before 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](#).