

**Whangarei District Council Finance and Support Committee meeting
– 27th March 2013**

[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 was an apology for Cr Kahu Sutherland and that Cr Shelley Deeming could possibly be late.

Moved: Cr Sharon Morgan, Seconded: Cr Aaron Edwards.

This next item, below, was showing in the agenda but was not mentioned in the meeting.
Perhaps 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.

Warwick asked if all councillors were happy for Item No. 5. Northland Regional Landfill Limited Partnership – Draft Statement of Intent 2013/2014. (Page 59) to be moved to the end of the meeting.
This was approved.

Time at 0901hrs, Item No. 1. Minutes of a Meeting of the Finance and Support Committee held 27 February 2013 (Page 1)

Moved: Cr Brian McLachlan, Seconded: Cr Sharon Morgan.

These were received with no discussion required.

With the time still at 0901hrs, Item No.2. Financial Report for the Eight Months Ending 28 February 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 advised that there was an operating surplus of \$2.052million (Page 4).

Page 5 was taken as read. In Capital Projects (Page 20) \$33.4m had been spent and \$25m carried forward.

Cr Shelley Deeming joined the meeting at 0906hrs.

Alan advised that the net debt per capita was under \$2,000-00. (\$1937-00 to be precise – Page 22). And as for page 23...he claimed they were trading well.

Cr Warwick Syers informed that the internal borrowing was \$18.855 million. *Oh and Warwick forgot to say that the debt was well above what was budgeted (\$135m) and now at \$174million. This equates to 29% over budget!!!!*

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

Cr Brian McLachlan had a query re items 94 &95 on page 18.

Cr John Williamson had a series of questions; Operating Income (Page 5) Why was parking fees showing an unfavorable variance. ISite sales were well below budget (Page 5). John

claimed that visitor numbers were up but sales were down. *Perhaps they are saving to spend when Hundertwasser is here?* John also queried staff numbers.

Alan Adcock informed that they normally have 20-21 vacancies at any time due to staff turnover.

Cr Merv Williams had some questions re the budgets.

Alan Adcock, unable to answer at present, advised he would bring those up at the District Living Meeting.

Cr Merv Williams commented that the rubbish bag returns were unfavorable. (Page 5, para 1) He asked if this was because of the 'wheelie bin deals'.

CEO Mark Simpson claimed that "we get benefits from profit share on Wheelie bins".
Wheelie? Don't seem to have seen a lot about that?

Time was now at 0916hrs and on to Item No. 3. Local Government Funding Agency – Half Year Report to 31 December 2012 (Page 24)

Alan Adcock gave a brief claiming it was operating very successfully at this point; the projected profit well ahead of schedule.

Moved: Cr Greg Martin, Seconded: Cr Sue Glen.

Cr Crichton Christie had a query on accrued interest asking what it meant (pages 40 & 41)

Cr Warwick Syers advised that it was interest that hadn't been paid by 30/6/2012.

Cr John Williamson asked if these were audited accounts.

Alan Adcock answered that they were unaudited at this stage.

There was no further discussion on this item.

With the time at 0922hrs, Item No. 4. Local Government Funding Agency – Draft Statement of Intent 2013/2014. (Page 47)

Alan Adcock advised that this is a statutory process. It is owned by 30 councils in New Zealand and this document was being received by 30 councils this month. The main aim of the organisation was to offer funds at the lowest possible rates, not to maximise dividends by lowering borrowing costs to the shareholders.

Cr Brian McLachlan commented that he see council has about \$60m borrowed from them.

Moved: Mayor Morris Cutforth, Seconded: Cr Shelley Deeming. ?

Cr Crichton Christie asks about the percentages shown on page 44.

Cr Sharon Morgan had a query on shares.

Alan Adcock gave clarification to their questions.

It appears that there is a need for councillors to get a better working knowledge of accounts going by the questions being asked by some very seasoned councillors, so perhaps there should be training sessions made available to them and any other interested parties.

With the time now at 0930hrs, Item No. 6. Economic Reports – Northland (Page 74)

Moved: Cr Sharon Morgan, Seconded: Cr Merv Williams.?

Jude Thompson, WDC Chief Operating Officer advises that there are some significant positives within Whangarei if you look at the next item. To date there were signs of a boost to the economy.

Jude continued to make a comment about details on page 131.

Cr Warwick Syers corrects Jude that they are not on that item yet and closes this item off.

There was no further discussion on this item.

Time was now at 0932hrs and on to Item No. 7. Quarterly Economic Monitor December 2012 (Page 137)

Jude Thompson advises that there are good results from the refinery and logging in the district. The labour market remained relatively weak, with the same amount was being done by less people.

Moved:?, Seconded:?.

There was no further discussion on this item.

With the time now at 0933hrs, Item No. 8. Whangarei District Airport – Draft Statement of Intent 2013/2014 (Page 147)

Moved: Cr Sue Glen, Seconded: Cr John Williamson.

The Draft Statement of Intent was received with no further discussion entered into.

Time was now at 0934hrs and it was back to, as previously arranged, Item No. 5. Northland Regional Landfill Limited Partnership – Draft Statement of Intent 2013/2014. (Page 59)

Cr Warwick Syers claimed he had a Conflict of Interest and vacated the chair handing over to Mayor Morris Cutforth.

Warwick moved his chair back by 1.13 metres.

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

Cr Aaron Edwards claims there were some discern between the Objectives on Page 62 and the Targets on Page 65. The long term objectives to minimum waste and minimize green waste was not about making profit but aligning with citizens who want to make it better. It had to be a balance practical and profitable.

CEO Mark Simpson claims this has always been the intention of this joint venture. For example to dispose a cathode tube with council was \$20-00 with no profit; through CEBEC it is \$25-00. NB. CEBEC is a private recycling organization.

Cr Phil Halse advises that it needs to be acknowledged that since recycling was introduced in the district, waste tonnage has reduced by 50%.

Cr Warwick Syers advises at 0940hrs that the meeting ends and, thanks all for attending.

Sorry about the number of 'Moved and Seconded' insertions being either incomplete or inaccurate. This is due to today's Chair not repeating who has moved and seconded the items; also some councilors not speaking in a clear and audible fashion because of an inadequate sound system in this chamber or it not turned on. In my opinion, the chairs will have to step up to reach the standard that Cr Shelley Deeming currently leads the charge in.

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](#).