

Whangarei District Council Finance and Support Committee meeting – 30th May 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.

There were no apologies but Cr Syers advises that Cr John Williamson was possibly on his way; but they had not heard.

Cr Merv Williams suggested there was possibly an apology for Cr John Williamson. *Where is the \$60-00 man Williamson? Getting off another parking ticket? Tee hee!*

Item No. 1. Minutes of a Meeting of the Finance and Support Committee held 24 April 2012 (Page 1) (0901hrs) these were received with no discussion required.

Cr John Williamson wandered in at 0901hrs.

With the time now at 0902hrs, Item No.2, Financial Report for the Ten Months Ending 30 April 2012 (Page 3) Moved : Cr Brian McLachlan Seconded: Cr Aaron Edwards Cr Warwick Syers asks Group Manager Support Services Alan Adcock to comment on this item. Alan advises that it is a similar situation to previous reports; with an increase in Operating Expenditure. They were spending \$1.6million less by withholding projects in Capital Expenditure. There were some comments regarding the 2nd harbour crossing (Page 19) *Gee I thought this bridge was the 4th harbour crossing, or did I go to a different school?* In reference to the Treasury Report (page 22) Alan explained it was up slightly from last month and this was a trend for this time of the year. The debt per capital (page 23) is over budget; \$1902-00 and should be \$1900-00.

There was no further discussion on this item.

Item No. 3, Council Controlled Organisation Exemptions (Page 25) (0913hrs)

Moved: Cr Crichton Christie Seconded: Cr Sharon Morgan

Cr Syers advised there was a 'typo' error and the recommendation should read Whangarei Art Museum Trust and not 'Management Group'. He advised this was done on a 3 year cycle and other CCO for this type of discussion will be coming up later.

Cr Merv Williams believed it was a waste of time and effort doing these things and advised of the Quarry Gardens Statement of Intent.

Cr Brian McLachlan asked if these can be changed within the 3 year cycle. He was advised they could be.

Time was now at 0919hrs Item No. 4, Whangarei District Council Credit Rating (Page 27)

Alan Adcock advised this was an important process for them to have gone through; it was about how lenders assess risk. The more positive the rating meant getting cheaper money. Standard and Poors rated on the ability to service debt.

Mayor Morris Cutforth asked what credence Standard and Poors had in the community and was it significant? *Oh my gosh Morris, you are awake, not just playing with your phone?*

Alan Adcock informed that Standard and Poors was the most recognised. *Maybe it's now a good time to ask "What was Enron Corporation's credit rating before it failed and its bankruptcy on December 2, 2001?"*

The report in the agenda makes some interesting reading; especially the bit about debt. Alan Adcock answered more questions on the rating stating 'we are not perfect, but we are very good'.

Cr Warwick Syers advised it was a 'special purpose report' covering the awarding of the rating.

Item No. 5, Long Term Council Community Plan (LTCCP) Performance Report - July 2011 to March 2012 (Page 40) (0930hrs) Moved: Cr Merv Williams Seconded: Cr Aaron Edwards

Cr Merv Williams commented on the 5.8% return on Council owned Commercial properties (Page 40. 9.1.1) as it being good; so we should be hanging on to them. He also made comment (Page 41 9.3.2) on the 148% return on Pensioner Housing as being a good return on great assets.

Alan Adcock advised that the 148% was a short term blimp.

Time was now at 0933hrs Item No.6, Positive Growth Group Report on Recent Activities January to March 2012 (Page 42)

Cr Warwick Syers advised this report was mainly for information.

Cr Sharon Morgan commented that it was good to see we are having a district event strategy.

The still awake Mayor Morris Cutforth informed that the "Love it Here' Campaign had been great and they should be promoting that.

Some may wonder why I comment about Morris being awake; during the LTP submissions on 14th to 18th May he was seen to be nodding off regularly and playing with his cell phone whilst people were making their submissions to council. This was raised as a 'point of order' during the process by a councilor who too was obviously concerned of this behavior.

Item No. 7, Northland Regional Council Community Trust Quarterly Report on Activities (Page 47) (0942hrs)

Cr Syers advises that they must move on and this item is received with no discussion entered into. *Maybe the cuppa or missing out on it before the next scheduled meeting at 10.00 was of a higher priority.*

Cr Warwick Syers advises at 0943hrs that the meeting ends and, thanks all for attending, before the meeting with the public excluded goes into the **confidential** section of the meeting.

CONFIDENTIAL INDEX

C.1 Doubtful Debt

(Page 1)

[Link to 'Doubtful Debt' Document](#)

Outside for a chat 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](#).