

FINANCE AND CORPORATE COMMITTEE MINUTES



Time: 1:00pm
Date: Tuesday, 26 March 2019
Venue: Council Chambers, Waipa District Council, 101 Bank Street,
Te Awamutu

1 PRESENT

Chairperson

AW Brown

Members

His Worship the Mayor JB Mylchreest, EM Andree-Wiltens, JM Bannon, EH Barnes, M Gower, SDC Milner, SC O'Regan, EM Stolwyk, CS St Pierre, BS Thomas, GRP Webber, VT Wilson

2 APOLOGIES

RESOLVED

03/19/08

That the apologies from Cr Wilson for non-attendance and Cr Stolwyk for lateness be received.

Cr Webber / Cr St Pierre

3 DISCLOSURE OF MEMBERS' INTERESTS

There were no new disclosures of members' interests.

4 MINUTES OF PREVIOUS MEETING

RESOLVED

03/19/09

That the open and public excluded minutes of the Finance & Corporate Committee meeting held on the 19 February 2019, having been circulated, be taken as read and confirmed as a true and correct record.

Cr Bannon / Cr Andree-Wiltens

5 LATE ITEMS

There were no late items.

6 CONFIRMATION OF ORDER OF MEETING

RESOLVED

03/19/10

That the order of the meeting be confirmed.

Cr St Pierre / Cr Gower

7 COUNCIL CONTROLLED ORGANISATION DRAFT 2019/20 STATEMENTS OF INTENT AND SIX MONTHLY REPORTS TO 31 DECEMBER 2018

[Cr Stolwyk entered the meeting at 1.07pm]

Manager Finance A Duncan took the 'Council Controlled Organisation Draft 2019/20 Statements of Intent and Six Monthly Reports to 31 December 2018' report as read and introduced Mr K French Chief Executive of Waikato Local Authority Shared Services to the Committee. Mr Duncan and Mr French answered questions of the Committee with the assistance of Group Manager Business Support K Morris.

In response to a question, Mr Morris advised that the focus will be more on a national level than a regional level which is further explained on pages 82 – 85 of the agenda.

The Committee were comfortable with the three proposed letters in response to the Council Controlled Organisations Statement of intent for the 2019/20 year with no additional comments and amendments required.

RESOLVED

03/19/11

That –

- a) *The 'Council Controlled Organisation Draft 2019/20 Statements of Intent and Six Monthly Reports to 31 December 2018' report (document number 19020222), of Alister Duncan, Manager Finance be received;*
- b) *The Six Month Report to Shareholders for the period to 31 December 2018 and Draft Statement of Intent 2019/20 of Waikato Regional Airport Limited (being document numbers 19026838 and 19026841 respectively and attached as Appendix 1 to this report) be received;*
- c) *The Finance and Corporate Committee **approve**, subject to any changes or additional comments, the draft letter (document number 19026248) attached as Appendix 4, being Council's proposed comments on the Draft Statement of Intent 2019/20 of Waikato Regional Airport Limited (document number 19026841), to be provided to Waikato Regional Airport Limited;*
- d) *The Six Month Report to Shareholders for the period to 31 December 2018 and Draft Statement of Intent 2019/20 of Waikato Local Authority Shared Services Limited (being document numbers 19026870 and 19026858 attached as Appendix 2 to this report) be received;*
- e) *The Finance and Corporate Committee **approve**, subject to any changes or additional comments, the draft letter (document number 19026250) attached as Appendix 5, being Council's proposed comments on the Draft Statement of Intent 2019/20 of Waikato Local Authority Shared Services Limited (document number 19026858), to be provided to Waikato Local Authority Shared Services Limited;*
- f) *The Six Month Report to Shareholders for the period to 31 December 2018 and Draft Statement of Intent 2019/20 of the New Zealand Local Government Funding Agency Limited (being document numbers 19026829 and 19026837 attached as Appendix 3 to this report) be received; and*
- g) *The Finance and Corporate Committee **approve**, subject to any changes or additional comments, the draft letter (document number 19026245) attached as Appendix 6, being Council's proposed comments on the Draft Statement of Intent 2019/20 of the New Zealand Local Government Funding Agency Limited*

(document number 19026837), to be provided to the New Zealand Local Government Funding Agency Limited.

Mayor Mylchreest / Cr Thomas

8 AMENDMENT TO WAIKATO LOCAL AUTHORITY SHARED SERVICES CONSTITUTION

Manager Finance A Duncan took the 'Amendment to Waikato Local Authority Shared Services Constitution' report as read. Chief Executive of Waikato Local Authority Shared Services Mr French answered questions of clarification from the Committee.

In response to a question, Mr French advised that item 13.3 'appointment and removal' of the amended constitution would require a decision of Waipa District Council and Waikato District Council collectively. The same principle applies to item 13.1d regarding the appointment of one director to represent both Waipa and Waikato District Councils.

RESOLVED

03/19/12

That –

- a) The 'Amendment to Waikato Local Authority Shared Services Constitution' report (document number 19019748) of Alister Duncan, Manager Finance be received;*
- b) The Finance and Corporate Committee resolve to support the amendments to clauses 13 and 15.5 of the Waikato Local Authority Shared Services Constitution as set out in the proposed special resolution to alter the Waikato Local Authority Shared Services constitution (document number 19026377), and authorise the Chief Executive to give this effect by signing the Waikato Local Authority Shared Services special resolution on behalf of Council;*
- c) The Finance and Corporate Committee resolve to support the remuneration of the independent Chair of Waikato Local Authority Shared Services at up to Forty-Five Thousand Dollars (\$45,000) per annum, plus reasonable costs, with the Board of Waikato Local Authority Shared Services being given delegated authority to agree the remuneration within these limits, as set out in the proposed shareholder resolution (document number 19027372), and authorise the Chief Executive to sign the resolution to this effect on behalf of Council.*

Cr Webber / Cr Bannon

9 EIGHT MONTH REPORT TO 28 FEBRUARY 2019

Financial Accountant S Davies and Manager Business Improvement G Knapp presented the 'Eight Month Report to 28 February 2019' report. Ms Davies highlighted key points in the report and emphasised the five budget changes required for approval.

In response to a question, Group Manager Business Support K Morris advised that the capital expenditure changes as reflected in the chart on page 193 of the agenda, are very much a story of a change in timing. There is significant head room for arbitrage this year however this will significantly diminish by next year.

In response to a question, Ms Knapp advised that in relation to the water treatment and supply that we are bound to report on compliance in the prescribed manner regardless of whether it is a technical non-compliance rather than a non-compliance.

RESOLVED

03/19/13

That –

- a) *The information contained in the 'Eight Month Report to 28 February 2019' report (document number 19027442) of Sarah Davies, Financial Accountant, be received, and*
- b) *The Finance and Corporate Committee **APPROVE** the following 2018/19 funding requests and budget changes:*
 - *An increase of EIGHTY FIVE THOUSAND DOLLARS (\$85,000) for the Heritage budget for Heritage Showcase Sites and Mobile Applications Planning – to be Loan funded;*
 - *An increase of THREE HUNDRED AND TWENTY THOUSAND DOLLARS (\$320,000) for the Wastewater budget to review the District wastewater model to be funded by \$35,000 from existing wastewater budgets and \$285,000 from the Wastewater Operating Reserves;*
 - *An increase of SIX HUNDRED AND SEVENTEEN THOUSAND DOLLARS (\$617,000) for the Water Services budget for new connections, complex properties connections, and water meters (new and*

replacement), to be funded by \$240,000 from an increase in waters revenue, \$148,000 from the water supply capital reserve, and \$229,000 to be transferred from existing projects;

- A decrease of *THREE MILLION SEVEN HUNDRED AND FIFTY EIGHT THOUSAND DOLLARS (\$3,758,000)* in income for the Development and Reserve Contributions (Various Activities) budget, due to development timing, which results in a reduced balance for the Development Contributions Reserves; and
- An increase of *ONE HUNDRED THOUSAND DOLLARS (\$100,000)* for Recycling and the Recycling & Waste Minimisation budget, for administration and overhead costs and an increase of *FIFTY THOUSAND DOLLARS (\$50,000)* for the Waste Minimisation budget for advertising, to be funded from prior years cash surplus of \$100,000 and \$50,000 from the Waste Minimisation Reserve.

Cr Stolwyk / Cr Gower

10 WATER INVOICE COLLECTION

Manager Finance A Duncan took the report as read and answered questions of clarification from the Committee regarding the reporting template.

In response to a question, Mr Duncan advised that Council are not using smart meters due to cost.

RESOLVED

03/19/14

That the 'Water Invoice Collection' report (document number 19026375) of Alister Duncan, Manager Finance be received.

Cr Webber / Cr Thomas

11 HEALTH AND SAFETY REPORT

Manager Human Resources S Shores and Health & Safety Advisor B Taylor presented the 'Health and Safety Four Month Report ' and answered questions of the

Committee. Ms Shores highlighted that the top five Health and Safety risks were reviewed with the Executive Management.

Ms Shores and Ms Taylor advised that it is essential that staff enter any and all incidents into the TRAX system so that they can monitor and mitigate accordingly.

Over the reporting period, the focus has been on:

- a) Completing the roll-out of Council's Drug and Alcohol Management Policy;
- b) Reviewing the status of Council's Top 5 Health & Safety Risks and identifying new risks that the Health & Safety team will focus on;
- c) Socialising the new H&S Brand to staff.

Parks & Reserves Supervisor C McCurdy and Executive Assistant R Mylchreest of the Health and Safety Committee presented the 'Health and Safety Branding' by way of PowerPoint presentation and answered questions of the Committee.

RESOLVED

03/19/15

That the information contained in the 'Health and Safety Four Month Report' (document 19019254), of Stephanie Shores, Manager Human Resources; and Bev Taylor, Health and Safety Advisor, be received.

Cr Thomas / Cr Bannon

12 SISTER CITIES – DELEGATION AND FUNDING AND ELECTED MEMBER EXPENSE RULES

Manager Governance J Gread presented the 'Sister Cities Delegations and Expense Rules' report and answered questions of the Committee. In response to a question, Ms Gread advised that the Cambridge Community Board are kept informed of the balance of funds available in the sister cities budget as part of the Treasury Report to the monthly Board meetings. A question was raised regarding the cost of attendance of the Mayor or the Mayor's representative as part of any sister city delegations. Staff advised that the current practice would continue whereby the Mayor or Mayor's representative's costs are paid for out of the general Council budget.

RESOLVED

03/19/16

That –

- a) *The ‘Sister Cities Delegations and Expense Rules’ report (document 19015269) of Jo Gread, Manager Governance be received;*
- b) *The Finance and Corporate Committee resolve that from 1 July 2019 it will fund the sister cities activity from the Cambridge and Maungatautari Wards rather than the current district wide funding, and move the sister city budget from the Governance Team to the Cambridge Community Board;*
- c) *The Cambridge Community Board be delegated the role of maintaining and enhancing the sister city relationships between Cambridge and Le Quesnoy (France) and between Cambridge and Bihoro (Japan), from 1 July 2019, including the spend of budgeted sister city funds but excluding the power to approve any overseas travel funded by Council or Community Board funds, such power of approval being specifically retained by Council;*
- d) *The amended Elected Member Expense and Allowance Rules set out in Appendix 1 of this report be adopted for application from 27 March 2019; and*
- e) *The amended Sister Cities Policy set out in Appendix 2 of this report be adopted to apply from 1 July 2019.*

Cr O’Regan / Cr Gower

13 ELECTED MEMBER REMUNERATION REVIEW

Manager Governance J Gread presented the ‘Elected Member Remuneration Review’ report and answered questions of the Committee. Ms Gread advised that there is a Remuneration Authority tool to assist Councillors with the allocation of the governance pool.

Councillors were disappointed with the level of the governance pool allocated to Waipa District Council. It was noted that the intent of the initial review was to encourage diversity in local government, however, the governance pool would make it very difficult financially for people to stand for election.

In response, it was agreed that a letter be drafted and sent to the Remuneration Authority highlighting the concerns of Council.

RESOLVED

03/19/17

That the 'Elected Member Remuneration Review' report (document number 19025244), of Jo Gread, Manager Governance, be received.

Cr Webber / Cr St Pierre

14 RESOLUTION TO EXCLUDE THE PUBLIC

(Section 48, Local Government Official Information and Meetings Act 1987)

RESOLVED

03/19/18

That the public be excluded from the following part of the proceedings of this meeting.

The general subject of the matter to be considered while the public is excluded, the reason for this resolution in relation to each matter and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<i>Item No.</i>	<i>Minutes/ Report of:</i>	<i>General subject of each matter to be considered</i>	<i>Reason for passing this resolution in relation to each matter</i>	<i>Ground(s) under section 48(1) for the passing of this resolution</i>
15	<i>Procurement Advisor – A Bird</i>	<i>Electricity Supply Contract (AoG)</i>	<i>Good reason to withhold exists under section 7</i>	<i>Section 48(1)</i>
16	<i>Manager Property – J Miles</i>	<i>Review of Pensioner Housing Rents</i>	<i>Good reason to withhold exists under section 7</i>	<i>Section 48(1)</i>

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public are as follows:

15 & 16	<i>To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i>	Section 7(2)(i)
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Cr Thomas / Cr Gower

15 ELECTRICITY SUPPLY CONTRACT (AOG)

This item was taken within the public excluded section of the meeting.

16 REVIEW OF PENSIONER HOUSING RENTS

This item was taken within the public excluded section of the meeting.

There being no further business the meeting closed at 3.15pm.

CONFIRMED AS A TRUE AND CORRECT RECORD

CHAIRPERSON:

DATE: