

MACKENZIE DISTRICT COUNCIL
MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN
THE MACKENZIE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY,
FEBRUARY 2, 2016, AT 9.34AM

PRESENT:

Cr Graham Smith (Chair)
Mayor Claire Barlow
Cr Murray Cox
Cr James Leslie
Cr Russell Armstrong
Cr Evan Williams

IN ATTENDANCE:

Wayne Barnett, Chief Executive
Paul Morris, Finance Manager
Arlene Goss, Committee Secretary
Nathan Hole, Planning and Regulation Manager
Toni Morrison, Senior Planner
Aaron Hackart, Planner
Wendy Smith, ADBT
Raewyn Bell, ADBT
Chris Hyde, Timaru Herald

APOLOGIES:

Resolved that apologies be received from Cr Noel Jackson.

Cr Armstrong/Mayor

DECLARATIONS OF INTEREST:

There were no declarations of interest.

MINUTES:

Resolved that the minutes of the meeting of the Finance Committee held on November 24, 2015, including those parts taken in public excluded, be confirmed and adopted as the correct record of the meeting.

Mayor/Cr Cox

SUB-COMMITTEE MINUTES:

Resolved that the minutes of the meeting of the Tekapo Property Group held on January 18, 2016, including those parts taken in public excluded, be received.

Mayor/Cr Cox

REPORTS:

FINANCIAL ACTIVITY REPORT TO DECEMBER, 2015:

Finance Manager Paul Morris took councillors through the financial report. The matters discussed included, but were not limited to, the following:

Under governance, mileage is up. This is the use of the council vehicles for governance purposes such as community board meetings in Twizel.

Discussion was held on whether a consultant's costs should be under governance or corporate. It was decided to move this to governance.

Subscriptions are up. The majority of this cost is for LGNZ. Cr Armstrong asked what administration costs actually entail. This is for advertising of meetings, communications, insurance for council members, acknowledgements, printing and stationary, refreshments, subscriptions. Committee secretary sits under employment expenses.

Under corporate, the chairman asked regarding rate penalties not budgeted for. He asked if there was an increase in the number of rate penalties. The finance manager will check this and report back. The chairman also asked about the rise in consultancy expenses. This includes legal fees, remuneration review costs, and unbudgeted management accounts reporting.

Under water it was noted that spreading the costs of the Albury water supply across the year made a difference under 'other income'. Also there have been extra expenses from the Kimbell line with unbudgeted repairs occurring.

Sewer also has unbudgeted consultancy expenses and administration expenses over budget. It looks like sewer will go over budget by the end of the year.

Under roading the chairman asked why the costs of roading have not been claimed from NZTA. This is a timing issue.

The total costs are under budget. This is due to the roading collaboration taking up the time of the roading manager. It is expected that all the money will be spent by the end of the year.

Under solid waste, other income is ahead. Gate sales are up. Seasonal increases in demand for solid waste services start in September and tail off in March.

Under planning, reserve contributions are dependant on developer contributions.

Under community services the chairman asked regarding income from public toilets, or public donations. This has reduced. The chairman said he hoped in the future that council would be charging for public toilets. This change would need to be left until the next Long Term Plan.

Under commercial, interest income from investments is less than expected. There will be a gap and this will have an impact on our term deposits. We have re-joined the bond market.

Resolved that the report be received.

Cr Williams/Cr Armstong

PUBLIC EXCLUDED RESOLUTION:

Resolved that the public be excluded from the following part of the proceedings of this meeting namely the Alpine Energy Presentation.

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Alpine Energy Presentation	Commercial Sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) 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 the relevant part of the proceedings of the meeting in public are as follows:*Alpine Energy Presentation under section 7(2)(b)(ii)*.

The Finance Committee continued in open meeting.

Wendy Smith and Raewyn Bell from Aoraki Development Business and Tourism joined the meeting at 10.48am.

AORAKI DEVELOPMENT BUSINESS AND TOURISM QUARTERLY REPORT:

The chairman welcomed Wendy Smith and Raewyn Bell to the meeting. Wendy Smith said they are very busy dealing with businesses in the Mackenzie District. Raewyn Bell circulated a folder of information to councilors related to the services they offer. The ADBT report shows activity trending upwards. About 65-70 businesses have been met with over the past year. Details of activity involving Mackenzie businesses were outlined.

The Mayor said all the feedback she receives about the economic development work is positive. They are providing a valuable service. She asked if things were changing and would further economic development be a function of the Chamber of Commerce. Yes, the council would need to talk to the chamber. The chairman asked if the amount of funding was sufficient. Wendy Smith said it was very tight and there was demand that was not being catered for. Raewyn Bell said the work in the district could easily be a full-time position.

The chairman thanked them for attending and invited them to stay for morning tea.

The meeting adjourned for morning tea at 11am and reconvened at 11.28am.

BANCORP QUARTERLY REPORT:

Councillors noted the highlights in this report. Finance Manager Paul Morris said Council is back in the bond market. He talked about returns from bonds and the maturing of council investments. The chairman said Council was taking a positive step in that it was taking on “a little more risk but not stupid risk”.

Resolved that the report be received.

Cr Cox/Cr Williams

Nathan Hole, Toni Morrison and Aaron Hackart joined the meeting at 11.35am.

DISTRICT PLAN E-PLAN SOFTWARE:

Nathan Hole spoke to this report. This is an application for unbudgeted expenditure to help Council manage the District Plan review. There are two options in the report - either MDC purchases the software and manages it or get Isovist to manage it. \$21,000 of the cost is in migrating the existing district plan to the system.

Toni Morrison explained that other councils are using this system and Ecan are also planning to use it - which provides benefit in aligning Council's work with Ecan.

The Mayor says she thinks it is great and agrees with hosting it off site. Cr Leslie asked who would make changes and control it in the future. The programme has security settings regarding who can control the information. Everything would be checked.

The chairman asked if the \$7000 was an annual fee and would it increase in the future. He was worried that this cost would increase once Council was tied into using the software. Cr Cox said this new software would streamline the whole process and the district plan review would not involve managing a paper trail. Cr Williams asked if the information in the software was legally binding. Yes.

Resolved:

1. That the report be received.

Mayor/Cr Cox

2. That the Finance Committee approves expenditure to obtain 'Your Plan', including authorizing staff to undertake plan migration work and host 'Your Plan'.

Mayor/Cr Leslie

3. That the budget allowance for this work and hosting be approved to \$28,000 in year one (2015/16) and \$7,000 per year thereafter for hosting and support for 'Your Plan'.

Mayor/Cr Leslie

THE CHAIRMAN DECLARED THE MEETING CLOSED AT 11.50am

CHAIRMAN: _____

DATE: _____