
Finance, Audit & Risk Subcommittee

OPEN MINUTES

Minutes of a meeting of the Finance, Audit & Risk Subcommittee held in the Council Chambers, Horowhenua District Council, Levin on Wednesday 27 April 2016 at 4.00 pm.

PRESENT

Chairperson Cr W E R Bishop
Members Mr B J Jackson
Cr C B Mitchell (from 4.25 pm)
Cr A D Rush
Cr P Tukapua

IN ATTENDANCE

Mr D Law (Group Manager – Finance)
Mr D M Clapperton (Chief Executive)
Mr J Paulin (Finance Manager)
Mr A Mohammed (Financial Systems Manager)
Mrs T Whitehouse (Management Accountant)
Mrs M Davidson (Group Manager – Customer & Community Services)
Mrs K J Corkill (Meeting Secretary)

ALSO IN ATTENDANCE

Mr D McCorkindale (Senior Manager – Strategic Planning)
Mr M Lester (Project Coordination Manager)

1 Apologies

An apology was recorded for Mayor Duffy. An apology for lateness was also tendered for Cr Mitchell.

NOTED

2 Public Speaking Rights

None requested.

3 Declaration of Interest

There were no declarations of interest.

4 Confirmation of Minutes – 30 March 2016

MOVED by Mr Jackson, seconded Cr Tukapua:

THAT the minutes of the meeting of the Finance, Audit & Risk Subcommittee held on Wednesday, 30 March 2016, be confirmed as a true and correct record.

CARRIED

5 Matters Arising

There were no matters arising.

6 Announcements

The Chair reiterated that there would be a workshop on Internal Control following the meeting.

7 Reports

7.1 Financial Report for the nine months to 31 March 2016

Purpose

To present to the Finance, Audit & Risk Subcommittee the financial report for the eight months to 31 March 2016.

MOVED by Cr Rush, seconded Cr Tukapua:

THAT Report 16/205 Financial Report for the nine months to 31 March 2016 be received.

THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

CARRIED

Mr Law, in speaking to this report and responding to Councillors' questions, said there was little change from the previous month with things tracking very much as they had done for the past few months. There was the rush towards the end of year in terms Capital Expenditure and interest rates were down slightly to 4.85%.

Mr Paulin tabled a Cash Flow Forecast and an updated page 18 – Statement of Rates Debtors was also tabled.

In the Organisation Summary (page 9), Mr Jackson said he thought adding the Carried Forwards in the Capital Expenditure Graph made it more meaningful, with Mr Law commenting that there had been about \$8m carried forward from last year and this year would be much the same..

Mr Clapperton commented in some detail on the forecasted surplus (page 13), saying it was likely be closer to the \$1.5m and he was very comfortable with how things were currently tracking.

Cr Rush suggested that some of the details in the SPPs were still a little 'loose', giving examples of where he thought there could be improvement.

9.2 Treasury Report

Purpose

To present to the Finance, Audit & Risk Subcommittee the Bancorp Treasury Report for the March 2016 quarter and discuss the LGFA covenant compliance.

MOVED by Mr Jackson, seconded Cr Rush:

THAT Report 16/210 Treasury Report be received.

THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

CARRIED

In saying we were living in interesting times, Mr Law commented on the unique things that were occurring in the global financial market currently with the last few months having been somewhat turbulent. New Zealand's interest rates were among the highest in the world and in some countries banks were being charged to deposit money in Reserve Banks.

Cr Mitchell joined the meeting (4.25 pm).

In response to a query, Mr Law outlined the benefits Council was receiving from having a Standard & Poors credit rating; however the rating had not been in place long enough for Council to recoup its initial investment.

9.3 Monitoring Reports to 27 April 2016

Purpose

To present to the Finance, Audit & Risk Subcommittee Monitoring Reports covering:

- Requested actions from previous meetings of the Subcommittee;
- Issues identified during the 30 June 2015 Audit.

MOVED by Cr Mitchell, seconded Mr Jackson:

THAT Report 16/206 Monitoring Reports to 27 April 2016 be received.

THAT this matter or decision be recognised as not significant in terms of s76 of the Local Government Act 2002.

CARRIED

There were no queries on Monitoring Report items.

4.30 pm

There being no further business, the Chairperson declared the meeting closed.

CONFIRMED AS A TRUE AND CORRECT RECORD
AT A MEETING OF THE FINANCE, AUDIT & RISK
SUBCOMMITTEE HELD ON

DATE:.....

CHAIRPERSON:.....