
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 January 2016 at 4.00 pm.

PRESENT

Chairperson Cr W E R Bishop
Members Mayor B J Duffy
Mr B J Jackson
Cr C B Mitchell
Cr P Tukapua (from 4.10 pm)

IN ATTENDANCE

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

1 Apologies

An apology was recorded for Cr Rush. An apology for lateness was also recorded for Cr Tukapua.

NOTED

2 Public Speaking Rights

There were no requests for speaking rights.

3 Declaration of Interest

There were no declarations of interest.

4 Confirmation of Minutes – 25 November 2015

MOVED by Mayor Duffy, seconded Cr Mitchell:

THAT the minutes of the meeting of the Finance, Audit & Risk Subcommittee held on Wednesday, 25 November 2015, be confirmed as a true and correct record.

CARRIED

5 Matters Arising

In response to a query from Mr Jackson if the schedule of risks had been done and when the Subcommittee would receive its expanded Terms of Reference, Mr Clapperton said that would be available for the next Subcommittee meeting.

6 Announcements

There were no announcements.

7 Reports

7.1 Financial Report for the six months to 31 December 2015

Purpose

To present to the Finance, Audit & Risk Subcommittee the financial report for the six months to 31 December 2015.

MOVED by Cr Mitchell, seconded Mayor Duffy:

THAT Report 16/3 Financial Report for the six months to 31 December 2015 be received.

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

CARRIED

A Cashflow Forecast for the year was tabled for Members' information. In speaking to this, Mr Law noted that halfway through the financial year, trends were on target. Projections were reviewed monthly and whilst December showed a better than expected balance, a worse result than anticipated was projected for the first year of the LTP. This would obviously depend on what happened over the next 6 months.

Officers responded to Members questions, with it noted:

- In terms of capital expenditure, more accurate reporting was needed from engineers in terms of budgeted projects, which would assist informing both the Projects and this Subcommittee. Mr Saidy and Mr O'Neill to be invited to the next Subcommittee meeting;
- There was the first time the Financial Report's compiling had been fully automated and the 'ticks' and 'crosses' which had assisted in Members understanding of what was on track, or not, was not included, but could be reinstated for future reporting;
- For clarity, it would be helpful in the Cost of Service Statements, to have the items under Income and Expenditure matching;
- The collection costs for debtors was proportionally allocated against the activities for which rates were collected;
- Wastewater charges showing as being under budget was a one off with an adjustment made because trade waste charges had been incorrectly collected. There would be new trade waste charges from 1 July which would take into account a capital component that was not included previously;
- The increase in Landfill reporting costs was as a result of the reviews that Council was having to undertake with regard to consent conditions for the Levin Landfill. More monitoring had been required around odour and alleged leachate breaches.

7.2 Treasury Report

Purpose

To present to the Finance, Audit & Risk Subcommittee the Bancorp Treasury Report for the December 2015 quarter.

MOVED by Mr Jackson, seconded Cr Mitchell:

THAT Report 16/22 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 commenting on the low interest rates which looked to continue for the foreseeable future, Mr Law cautioned prudence when considering the impact these could have on Council's financials and projected rates for years two and three of the LTP.

4.53 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:.....