

## **FINANCE SUBCOMMITTEE**

**FILE REFERENCE:** ECM 7041278  
**MEETING DATE:** Tuesday 23 February 2016 at 4.30pm  
**VENUE:** Council Chamber  
**MEMBERS PRESENT:** Councillor Richard Handley (Chairperson); Mayor Andrew Judd, Councillors Keith Allum, Colin Johnston, Craig McFarlane and Marie Pearce

**NON-MEMBERS PRESENT:** Councillors Gordon Brown, Shaun Biesiek, Grant Coward (to 5.25pm), Roy Weaver, Richard Jordan and Harry Duynhoven.

Community Board Member Andrew Larsen (Waitara)

Mike Trousselot, Elaine Gill, Warren Koia (TIML)

**STAFF IN ATTENDANCE:** Barbara McKerrow, Alan Bird, Phil Armstrong, Rhiannon Kelsey, Laura Harris, Jan Holdt, Peter Handcock

### **MINUTES**

Cr Johnston )

Cr Pearce )

That the minutes of the Finance Subcommittee meeting (11 December 2015), and the proceedings of the said meeting, as previously circulated, be taken as read and confirmed as a true and accurate record.

Carried

### **PART B**

#### **ITEMS FOR FINAL DETERMINATION BY THE COUNCIL**

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1. **Financial Performance Report 31 December 2015**

File Reference: ECM 7032734

The purpose of this report is to present the financial results of the Council for the period ending 31 December 2015.

Resolved:

Cr Pearce )

Cr Allum )

That, having considered all matters raised in the report, the report be noted.

Carried

2. **Capital Report on Significant Activities to 31 December 2015**

File Reference: ECM 7031399

The purpose of this report is to analyse the summary of capital expenditure for significant activities (for the 2015/16 financial year) to 31 December 2015.

Resolved:

Cr McFarlane )

Cr Pearce )

That, having considered all matters raised in the report, the report be noted:

- a) That the current predicted net carry forward stands at \$5,080k for significant activities and represents 11.8% of the budget in relation to these items. That the Key Performance Indicator is to limit carry forwards for 2015/16 to 18% of the Total Budget.
  - o That the current predicted total carry forward stands at \$9,905k for significant activities.
  - o That \$4,825k of the predicted carry forward of \$9,905k is related to either growth projects or projects for which third party easements are required and as such the Council has reduced control in relation to the timing of these projects (figure includes for Okato Ground Water).
- b) Solid Waste – A new project has been initiated to mitigate odour issues at the Colson Road landfill which have been subject to infringement notices from TRC (next step if mitigation not undertaken is prosecution). Options are currently being considered.
- c) Aquatic Centre – safety audits have identified remedial measures to the district’s pools. The total expected CAPEX cost is in the region of \$170k for 15/16, with a further \$130k to be added into the 16/17 Annual Plan.
- d) Roothing Storm Damage – it is expected that these works will be completed under budget by around \$650k.

Carried

3. **Financial Forecast Quarter 2 2016**

File Reference: ECM 7035325

The purpose of this report is to present the financial forecast for the remainder of the 2015/16 financial year ending on the 30<sup>th</sup> June 2016.

Resolved:

Cr Allum )

Cr Johnston )

That, having considered all matters raised in the report, the report be noted.

Carried

4. **Venture Taranaki Trust Interim Report December 2015**

File Reference: ECM 7035510

The matter for consideration by the Council is to receive the interim report of Venture Taranaki Trust for the six months ended 31 December 2015.

Resolved:

Cr Pearce )

Mayor Judd )

That having considered all matters raised in the report, the Council notes the interim report of Venture Taranaki Trust for the six months ended 31 December 2015.

Carried

5. **Forestry Joint Ventures Draft Statement of Intent for the Year to 30 June 2017**

File Reference: ECM 7027047

The matter for consideration by the Committee is the receipt and approval for release of the draft Statement of Intent for the Council's four forestry joint ventures for the year to 30 June 2017.

Resolved:

Cr Pearce )

Cr Johnston )

That having considered all matters raised in this report, the Draft Statement of Intent for the 2016/17 year, for the four forestry joint ventures, be noted and released to the Council partners for comment.

Carried

6. **Forestry Joint Ventures Condensed Interim Financial Statements for the Six Months Ending 31 December 2015**

File Reference: ECM 7035549

The matter for consideration by the Council is the Condensed Interim Financial Statements of each of the four joint ventures for the six months ending 31 December 2015.

Resolved:

Cr McFarlane )

Cr Allum )

That having considered all matters raised in the report, the Council notes the Condensed Interim Financial Statements of:

- Oakura Farms Limited Joint Venture
- Tarata Ngatimaru Pukehou Joint Venture
- McKay Joint Venture
- Duthie Joint Venture

For the six months ending 31 December 2015.

Carried

7. **New Plymouth Airport Joint Venture:**

1. **Draft statement of intent for the year to 30 June 2017**

2. **Condensed interim financial statements for the period ending 31 December 2015**

File Reference: ECM 7028025

The matter for consideration by the Council is to recommend the adoption and agreement to the Draft Statement of Intent for the 2016/17 year, and the

condensed interim financial statements for the period ending 31 December 2015, for the New Plymouth Airport Joint Venture.

Resolved:

Cr Johnston )

Cr Pearce )

That having considered all matters raised in the report, the Draft Statement of Intent for the New Plymouth Airport Joint Venture, for the year to 30 June 2017, be approved and submitted for comment to the Council's joint venture partner, and that the condensed interim financial statements for the period ending 31 December 2015 be noted.

Carried

8. **Taranaki Investment Management Limited**  
**Draft statement of intent for the year to 30 June 2017**

File Reference: ECM 7040281

The matter for consideration by the Council is to recommend the adoption and agreement to the Draft Statement of Intent for the 2016/17 year for Taranaki Investment Management Limited.

Resolved:

Cr Handley )

Mayor Judd )

That having considered all matters raised in the report, the Draft Statement of Intent for the Taranaki Investment Management Limited, for the year to 30 June 2017, be considered including the following amendments:

- The release formula be included in Sec. 3.2
- The principles as expressed in the current contract be set out in Sec 5.2(a)

Carried

*Cr Allum requested that his vote against the motion be recorded.*

9. **Exclusion of the Public for the Remainder of the Meeting**

File Reference: ECM 7040263

This report details items that are recommended should be considered with the public excluded, and the reason for excluding the public.

Resolved:

Cr Pearce )

Cr McFarlane )

That having considered all matters raised in the report, the Council hereby resolves that, pursuant to the Local Government Official Information and Meetings Act 1987, the public be excluded from the following parts of the proceedings of this meeting:

- a) TIML Performance Report

The withholding of the information is necessary to protect information, where the making available of that information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information, this particular interest being protected by Section 7(2)(b)(ii) of the Act.)

Carried