

# **REPORT OF THE FINANCE, AUDIT AND RISK COMMITTEE MEETING HELD AT 2.38PM ON MONDAY 19 SEPTEMBER 2016 AT COUNCIL OFFICES, 34 ESPLANADE, KAIKOURA.**

**PRESENT:** Councillor D Millton (Deputy Chair), Mayor W Gray.

**IN ATTENDANCE:** A Oosthuizen (Chief Executive Officer), S Poulsen (Finance Manager), S Syme (Committee Secretary), N Telford (Assistant Accountant).

**APOLOGIES:** Councillors G Harmon, J Howden.  
***Moved by Mayor Gray, seconded by Councillor Millton and resolved that apologies be accepted.***

## **1. MATTERS OF IMPORTANCE TO BE RAISED AS URGENT BUSINESS**

1. Appointment of C Wilson to Committee (Councillor Millton)

## **2. REPORTS**

Cash had reduced since the beginning of the financial year but was expected to be replenished in September with the receipt of the first instalment of rates. Revenue from building and resource consents had increased in July and August.

Audit New Zealand had responded to the Chief Executive Officer regarding the increased audit fees. No reduction in fees had been provided. The response from Audit New Zealand would be circulated to elected members. A discussion was held regarding obtaining a comparison with other Councils and also requesting a breakdown of actual hours spent on the audit.

A discussion was held regarding capital expenditure on roads and also maintenance. It was noted the reports focused on capital expenditure but maintenance expenditure needed to be looked at as well. It was felt if maintenance was not undertaken it lead to the requirement for additional capital expenditure. A request was made for the development of a schedule of maintenance works. A discussion was held regarding planned capital expenditure work and progress to date.

\$301,000 of capital had been spent on footpaths. This included some expenditure from the previous financial year. Approximately \$16,000 had been spent on the footpath from the bottom of Deal Street to West End, it was anticipated a further \$5,000 would be spent.

The matter of a programme of capital works for each financial year was discussed. It was suggested this was a conversation which needed to be had when work was undertaken on the Annual Plan.

Loan interest rates were also discussed. The Finance Manager advised Council weighted average interest rate was 4.58% and the Local Government Funding Agency did not think they could provide a better rate for Council.

***Moved by Mayor Gray, seconded by Councillor Millton and resolved that the Finance Reports be received.***

**3. CONFIRMATION OF MINUTES**

***Moved by Councillor Millton, seconded by Mayor Gray and resolved that the report of the Finance, Audit & Risk Committee meeting held on 15 August 2016 be confirmed a true and accurate record.***

**4. MINUTES ACTION AND ISSUES LIST UPDATE**

**South Bay Forest**

The valuation had been received for the forest but no further work had been undertaken regarding a report on the potential milling of the trees.

Councillor Millton would provide the Chief Executive Officer with contact details for a contractor. It was noted that quite a few people liked the recreational value of the forest. The Finance Manager had recommended previously that the forest be treated as a recreational property. It was requested this matter be removed from the action list.

**5. FINANCE, AUDIT & RISK PUBLIC EXCLUDED**

***Moved by Mayor Gray, seconded by Councillor Millton and resolved that the public be excluded from the following parts of the proceedings of this meeting, namely***

- a) Debt Recovery Report***
- b) Draft Annual Report***
- c) Confirmation of Public Excluded Minutes 15/08/2016***

***There being no further business the meeting closed at 4.04pm.***