



Hastings District Council

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OPEN MINUTES

FINANCE AND MONITORING COMMITTEE

Meeting Date: Tuesday, 10 September 2013

**Minutes of a Meeting of the Finance and Monitoring Committee held on
Tuesday, 10 September 2013 at 2.00pm**

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HASTINGS DISTRICT COUNCIL

MINUTES OF A MEETING OF THE FINANCE AND MONITORING COMMITTEE HELD IN THE COUNCIL CHAMBER, GROUND FLOOR, CIVIC ADMINISTRATION BUILDING, LYNDON ROAD EAST, HASTINGS ON TUESDAY, 10 SEPTEMBER 2013 AT 2.00PM

PRESENT: **Chair:** Councillor Kerr
Mayor Yule
Councillors Bowers (Deputy Chair), Bradshaw,
Hazlehurst, Heaps, Henderson, Lester, Nixon, Poulain,
Roil, Twigg and Watkins

IN ATTENDANCE: Chief Executive (Mr R McLeod)
Group Manager: Asset Management (Mr D Fraser)
Acting Group Manager: Community Facilities &
Programmes (Mr C Thew)
Group Manager: Corporate and Customer Services (Mr M
Maguire)
Group Manager: Human Resources (Mrs B Bayliss)
Group Manager: Planning and Regulatory Services (Mr J
O'Shaughnessy)
Chief Financial Officer (Mr T Gray)
Accounting Manager (Mrs J Guilford)
Management Accountant (Mr C Thorsen)
Strategic Financial Advisor (Mr B Allan)
Strategy Manager (Mr L Verhoeven)
Committee Secretary (Mrs C Hilton)

ALSO PRESENT: Chief Executive (Mr J Mackintosh) and Trustee (Mr R
Graham), Hawke's Bay Regional Sports Park Trust –
(Item 4)
Ms D Thomas (Joint Chair, Clifton Reserve Society) -
(Item 7)
Mr R Black (Clifton Marine Club) - (Item 7)
Mr J Bullock (member of both the Clifton Reserve Society
and Clifton Marine Club) - (Item 7)

1. APOLOGIES

Councillor Kerr/Councillor Poulain

That apologies for absence from Councillors Collin and O'Keefe be accepted.

CARRIED FM/41

2. CONFLICTS OF INTEREST

Mayor Yule and Councillor Roil both declared a conflict of interest in regard to
Agenda Item 4.

3. MINUTES OF COMMITTEE MEETINGS FOR CONFIRMATION

Councillor Twigg/Councillor Heaps

That the minutes of the Finance and Monitoring Committee Meeting held 16 May 2013 be confirmed as a true and correct record and be adopted.

CARRIED FM/42

4. HAWKE'S BAY REGIONAL SPORTS PARK TRUST HOCKEY DEVELOPMENT FUNDING REQUEST

(Report reference: 13/91)

As noted earlier in the meeting, Mayor Yule, as Chair of the Regional Sports Park Trust, and Councillor Roil had both declared a conflict of interest in regard to this item. They took no part in discussion or voting on this item, as members of the Finance and Monitoring Committee.

Mr J Mackintosh, Chief Executive of the Trust gave a power point presentation (*EXT-10-38-13-132*) and responded to questions from the committee. Mr R Graham, Trustee, was also present.

Councillor Lester/Councillor Hazlehurst

- A) That the report of the Chief Financial Officer titled "Hawke's Bay Regional Sports Park Trust Hockey Development Funding Request" dated 10/09/2013 be received.**
- B) That approval be given to the Hawke's Bay Regional Sports Park Trust to develop a Hockey Facility at the Hawke's Bay Regional Sports Park.**
- C) That Council approve the development of a Tier 1 International Hockey Facility at the Hawke's Bay Regional Sports Park and release funding of \$663,000 (plus GST); and**
- D) That the Hawke's Bay Regional Sports Park Trust present to the Hastings District Council Chief Executive evidence by 30 September 2013 that agreements for a 10 year, 6 to 8 nation women's hockey tournament have been executed prior to committing to a Tier 1 Hockey facility; and**
- E) That should contractual arrangements for a 10 year, 6 to 8 nation women's hockey tournament not be satisfactorily concluded by 30 September, then the Trust shall scale back the Hockey development to a single hockey turf for local purposes, with Council funding of up to \$663,000 (plus GST) being released for this purpose.**

With the reasons for this decision being that the objective of the decision will contribute to the provision of good quality local infrastructure in a way that is most cost-effective for households and business by:

- i) providing good quality community infrastructure in the most appropriate location for the residents of the District.
- ii) Provide community infrastructure in the most cost effective way by accessing alternative funding sources.
- iii) Creating the opportunity to host a significant international event on an ongoing basis.

CARRIED FM/43

Councillor Heaps requested that his vote **against** the Motion be recorded.

5. SUMMARY OF YEAR END RESULT AS AT 30 JUNE 2013

(Report reference: 13/435)

The Accounting Manager, gave a power point presentation (CG-10-2-11-079) and responded to questions from the committee.

Councillor Heaps/Councillor Watkins

- A) That the report of the Accounting Manager titled “Summary of Year End Result as at 30 June 2013” dated 10/09/2013 be received.
- B) That in accordance with Council’s financial policies and strategies that the rating surplus for Rating Area 1 not otherwise allocated be used for the repayment of debt in the Transportation (Roading) activity.
- C) That the recommendations of the Hastings District Rural Community Board be endorsed as follows;
 - i) That the Council establish a target level for the Rural Flood and Emergency Event Reserve of up to \$1,000,000.
 - ii) That any Rating Area 2 surplus for the 2012/13 financial year be allocated as follows:

	\$
Surplus on General Rate	309,209
<u>Allocation of Surplus:</u>	
Clifton Coastal Protection Structure	17,490
Relocation of the Race Course -Feasibility Study	2,915
Splash Planet Re-investment reserve	6,720
Remaining Surplus	282,084

- iii) That the remaining surplus be allocated to the Rural Flood and Emergency Event reserve.
- D) That \$2,294,811 Rating Surplus be allocated as follows and summarised below:

Summary of recommendations above:

	TOTAL	Rating Area 1	Rating Area 2
Surplus on General Rate	2,294,811	1,985,602	309,209
<u>Proposed projects to be funded from surplus</u>			
Clifton Coastal Protection Structure	\$300,000	282,510	\$17,490
Relocation of Race Course Feasibility Study	\$50,000	47,085	\$2,915
Splash Planet Re-Investment Reserve	\$100,000	93,280	\$ 6,720
Allocated to debt repayment/Rural Flood and Emergency Event Reserve	1,844,811	1,562,727	282,084

- E) That the budgets as per the schedule of Carry Forwards funded by rates and loans be approved to be carried forward to the 2013/14 financial year.
- F) That it is confirmed that projects provided for in the Long Term Plan to be funded from Reserves have already been provided for and no formal carry forward approval is therefore required.
- G) That the Committee agree growth projects be re-budgeted as part of the 2014/15 Annual Plan.

CARRIED FM/44

The meeting adjourned for afternoon tea at 3.07pm
and reconvened at 3.28pm.

Councillor Watkins did not rejoin the meeting following the afternoon tea break.

With the agreement of the Committee, Item 7 was taken out of order and addressed, as members of the Clifton Reserve Society and Clifton Marine Club were present.

7. CLIFTON RESERVE - EMERGENCY COASTAL PROTECTION

(Report reference: 13/499)

The Group Manager: Corporate and Customer Services spoke to his agenda report. Mr Black (Clifton Marine Club) and Ms Thomas (Clifton Reserve Society) were both invited to comment on how their respective organisations would be affected by the approach being proposed.

Councillor Roil/Councillor Heaps

- A) That the report of the Group Manager: Corporate and Customer Services titled "Clifton Reserve - Emergency Coastal Protection" dated 10/09/2013 be received.
- B) That pursuant to Clause 13(a) of the Lease Agreement for Clifton Motor Camp between the Hastings District Council and the Clifton Reserve Society

Incorporated and subject to the following, approval to undertake the Emergency Coastal Protection Works at Clifton Reserve as set out in the agenda report in (A) above be granted.

- a. The Council undertakes the work and initially funds this from the 2012/13 surplus. And
 - b. The completion of a funding agreement for repayment of the initial costs based on a Clifton Reserve Society and Clifton Marine Club contribution of 40% of the initial costs (as a cash advance by the Council). And
 - c. The repayment by the Clifton Reserve Society and Clifton Marine Club of the contribution is over the term of the Resource Consent for the Coastal Protection works on an agreed basis. AND
 - d. The agreement of the Clifton Reserve Society in consultation with the Chief Executive to meet the ongoing maintenance obligations set out in the resource consent. AND
 - e. That the funding of the Council portion of this work is in lieu of and in full settlement of the Council's previous agreement to contribute \$10,000 per annum towards the costs of providing access to the Reserve.
 - f. That the current Lease is to be terminated as at 31 August 2018 or such other date as maybe agreed between the Parties.
- C) That the Chief Executive is authorised to enter into such contracts and agreements as are necessary to give effect to this decision.

With the reasons for this decision being that the objective of the decision will contribute to the good quality local infrastructure in a way that is most cost-effective for households and business by:

- Undertaking pragmatic steps in the development of a managed response to the erosion risks that will assist the community to meet its expressed desire of the continuation of reserve provision at Clifton that provides opportunities for camping and safe boating.

The Motion was PUT and declared

LOST

Mayor Yule/Councillor Lester

- A) That the report of the Group Manager: Corporate and Customer Services titled "Clifton Reserve - Emergency Coastal Protection" dated 10/09/2013 be received.**
- B) That pursuant to Clause 13(a) of the Lease Agreement for Clifton Motor Camp between the Hastings District Council and the Clifton Reserve Society Incorporated and subject to the following, approval to undertake the Emergency Coastal Protection Works at Clifton Reserve as set out in the agenda report in (A) above be granted.**

- a. **The Council undertakes the work and initially funds this from the 2012/13 surplus. And**
 - b. **The completion of a funding agreement for repayment of the initial costs based on a Clifton Reserve Society and Clifton Marine Club contribution of 50% of the initial costs (as a cash advance by the Council). And**
 - c. **The repayment by the Clifton Reserve Society and Clifton Marine Club of the contribution is over the term of the Resource Consent for the Coastal Protection works on an agreed basis. AND**
 - d. **The agreement of the Clifton Reserve Society in consultation with the Chief Executive to meet the ongoing maintenance obligations set out in the resource consent. AND**
 - e. **That the funding of the Council portion of this work is in lieu of and in full settlement of the Council's previous agreement to contribute \$10,000 per annum towards the costs of providing access to the Reserve.**
 - f. **That the current Lease is to be terminated as at 31 August 2018 or such other date as maybe agreed between the Parties.**
- C) That the Chief Executive is authorised to enter into such contracts and agreements as are necessary to give effect to this decision.**

With the reasons for this decision being that the objective of the decision will contribute to the good quality local infrastructure in a way that is most cost-effective for households and business by:

- **Undertaking pragmatic steps in the development of a managed response to the erosion risks that will assist the community to meet its expressed desire of the continuation of reserve provision at Clifton that provides opportunities for camping and safe boating.**

CARRIED FM/45

Councillor Roil requested that his vote **against** the Motion be recorded.

6. PERFORMANCE MANAGEMENT - FOR THE YEAR ENDED 30 JUNE 2013

(Report reference: 13/503)

Councillor Lester/Councillor Henderson

That the report of the Strategy Manager titled "Performance Management - for the year ended 30 June 2013" dated 10/09/2013 be received.

With the reasons for this decision being that reporting on performance supports the purpose of local government by ensuring that the objectives

that have been set to meet the current and future needs of the community are being achieved.

CARRIED FM/46

8. ADDITIONAL BUSINESS ITEMS

There were no additional business items.

9. EXTRAORDINARY BUSINESS ITEMS

There were no extraordinary business items.

The meeting closed at 4.14pm

Confirmed:

Chairman:

Date:

Chief Executive:

Date: