



# *Hastings District Council*

*Civic Administration Building  
Lyndon Road East, Hastings 4156*

*Phone: (06) 871 5000*

*Fax: (06) 871 5100*

*[www.hastingsdc.govt.nz](http://www.hastingsdc.govt.nz)*

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## **OPEN MINUTES**

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### **FINANCE AND MONITORING COMMITTEE**

Meeting Date: **Tuesday, 24 March 2015**

**Minutes of a Meeting of the Finance and Monitoring Committee held on  
24 March 2015 at 9.00am**

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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, 24 MARCH 2015 AT 9.00AM

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- PRESENT:** Chair: Councillor Kerr  
Councillors Bradshaw, Dixon, Hazlehurst, Heaps, Lester,  
Nixon, O'Keefe, Poulain, Roil and Watkins
- IN ATTENDANCE:** Acting Chief Executive (Mr J O'Shaughnessy)  
Group Manager: Asset Management (Mr C Thew)  
Acting Chief Financial Officer (Mr B Allan)  
Group Manager: Corporate and Customer Services (Mr M  
Maguire)  
Water Services Manager (Mr B Chapman)  
Accounting Manager (Ms J Guilford)  
Special Projects Manager (Mr T Gray)  
Committee Secretary (Mrs C Hunt)
- AS REQUIRED:** Mr Jock Mackintosh, CEO, HB Regional Sports Park  
Messrs Jim Scotland (Deputy Chair) and Nick Story  
(Chief Executive) HB Airport

#### 1. APOLOGIES

Councillor Dixon/Councillor Roil

**That apologies for absence from Mayor Yule and Councillors Bowers, Lyons and Pierce an apology for lateness from Councillor O'Keefe be accepted.**

**CARRIED FM/18**

#### 2. CONFLICTS OF INTEREST

**Councillor Kerr (Chair)** declared a conflict of interest in regard to Items 6 and 7 - Hastings Holdings Limited Half Year Report To 31 December 2014 and Hastings Holdings Limited Half Draft 2015/16 Statement of Intent.

With the agreement of the Committee, Councillor Lester confirmed he would Chair the Meeting Items 6 and 7.

#### 3. CONFIRMATION OF MINUTES

Councillor Dixon/Councillor Roil

**That the minutes of the Finance and Monitoring Committee Meeting held Thursday 19 February 2015 be confirmed as a true and correct record and be adopted.**

**CARRIED FM/19**

**4. HAWKE'S BAY REGIONAL SPORTS PARK TRUST HALF YEAR REPORT TO 31 DECEMBER 2014**

(Document 15/231)

Mr Mackintosh, Chief Executive of the Trust responded to questions from the Committee.

Councillor Lester/Councillor Roil

- A) That the report of the Strategic Financial Advisor titled "Hawke's Bay Regional Sports Park Trust Half Year Report to 31 December 2014" dated 24/03/2015 be received.**
- B) That the Hawke's Bay Regional Sports Park Trust Half Year Report to 31 December 2014 be received.**

**CARRIED FM/20**

**5. HAWKE'S BAY AIRPORT LIMITED HALF YEAR REPORT AND 2015/16 STATEMENT OF INTENT**

(Document 15/211)

Mr Scotland tendered the apologies of Mr Tony Porter. He also apologised for the newspaper article regarding the proposed renaming of the airport to "Ahuriri". This item had been included in the quarterly report to the Council's Chief Executives. The source of the article in the media was unknown and there had been no consultation with Mana Ahuriri. The article also recorded Council approval of the renaming and this was incorrect as no decisions had been made.

Mr Jim Scotland (Acting Chair) and Mr Story (Chief Executive) of Hawke's Bay Airport Limited then gave a powerpoint presentation (CG-13-3-079) providing an overview of the Half Year Report and Draft 2015/16 Statement of Intent responding to questions.

It was noted that the Interest expense detailed in the draft Statement of Intent were incorrect and will be corrected in the final document.

It was also noted that the Council's Chief Executive would email a formal response to the Mayor, Councillors and the Hawke's Bay Airport regarding the issue raised by Mana Ahuriri at a workshop where it was indicated that Council was not opposed to the renaming of the airport, but would need to consult with other stakeholders.

Councillor Lester/Councillor Hazlehurst

- A) That the report of the Strategic Financial Advisor titled "Hawke's Bay Airport Limited Half Year Report and 2015/16 Statement of Intent" dated 24/03/2015 be received.**
- B) That the Hawke's Bay Airport Limited Half Year report to 31 December 2014 be received subject to recalculation of interest rates.**
- C) That the 2015/16 Draft Statement of Intent of Hawke's Bay Airport Limited is received with any feedback.**

**CARRIED FM/21**

*Having previously declared conflicts of interest in regard to Items 6 and 7, Councillor Kerr (Chair) withdrew from the Council table and took no part in discussion or voting on these items.*

*Councillor Lester assumed the role as Chair for Items 6 and 7.*

**6. HASTINGS DISTRICT HOLDINGS LIMITED HALF YEAR REPORT TO 31 DECEMBER 2014**

(Document 15/230)

The Acting Chief Financial Officer, Mr Allan advised that the Hawke's Bay Opera House Limited (HBOHL) was exempted from being a CCO in 2014 following the closure of the facilities and the decision for HBOHL to cease trading. This exemption removed the CCO reporting requirements from HBOHL including any reporting to the Holding Company and any requirement to prepare a statement of intent.

It was noted that a report would be prepared to update Council on the Flaxmere Land Development project within two months and the Property Company would be invited to attend to address questions.

Councillor Poulain/Councillor Watkins

- A) That the report of the Strategic Financial Advisor titled "Hastings District Holdings Limited Half Year Report to 31 December 2014" dated 24/03/2015 be received.**
- B) That the Hastings District Holdings Limited Half Year Report to 31 December 2014 be received.**

**CARRIED FM/22**

*Councillor O'Keefe joined the meeting at 10.05am.*

**7. HASTINGS DISTRICT HOLDINGS LIMITED DRAFT 2015/16 STATEMENT OF INTENT**

(Document 15/222)

Councillor Hazlehurst/Councillor Dixon

- A) That the report of the Strategic Financial Advisor titled "Hastings District Holdings Limited Draft 2015/16 Statement of Intent" dated 24/03/2015 be received.**
- B) That the 2015/16 Draft Statement of Intent of Hastings District Holdings Limited is received with any feedback passed on to the Directors of Hastings District Holdings Limited for consideration.**

**CARRIED FM/23**

*Councillor Kerr rejoined the meeting and re-assumed the role of Chair.*

**8. OMARUNUI LANDFILL GAS GENERATION LIMITED PARTNERSHIP 2015/16 STATEMENT OF INTENT**

(Document 15/253)

Mr Tony Gray (Advisory Committee member) and Mr Brett Chapman (Advisory Committee member) of the Omarunui Landfill Gas Generation Limited Partnership spoke to the report and responded to questions.

Councillor Lester/Councillor Watkins

- A) That the report of the Strategic Financial Advisor titled "Omarunui Landfill Gas Generation Limited Partnership 2015/16 Statement of Intent" dated 24/03/2015 be received.
- B) That the Omarunui Landfill Gas Generation Limited Partnership 2015/16 Statement of Intent be received with any comments passed on to the Omarunui Landfill Gas Generation Limited Partnership Advisory Committee for consideration.

CARRIED FM/24

**9. LOCAL GOVERNMENT FUNDING AGENCY - HALF YEAR REPORT AND DRAFT 2015/16 STATEMENT OF INTENT**

(Document 15/204)

Councillor Lester/Councillor Kerr

- A) That the report of the Strategic Financial Advisor titled "Local Government Funding Agency - Half Year Report and Draft 2015/16 Statement of Intent" dated 24/03/2015 be received.
- B) That the New Zealand Local Government Funding Agency Limited Half Year Report to 31 December 2014 be received.
- C) That the New Zealand Local Government Funding Agency Limited Draft 2015/16 Statement of Intent be received and that Council provide any feedback to the Local Government Agency.

CARRIED FM/25

**10. HB LASS LIMITED HALF YEAR REPORT TO 31 DECEMBER 2014 AND DRAFT 2015/16 STATEMENT OF INTENT**

(Document 15/232)

Councillor Watkins/Councillor Heaps

- A) That the report of the Strategic Financial Advisor titled "HB LASS Limited Half Year Report to 31 December 2014 and Draft 2015/16 Statement of Intent" dated 24/03/2015 be received.
- B) That the HB LASS Limited Half Year Report to 31 December 2014 be received.
- C) That the HB LASS Limited Draft 2015/16 Statement of Intent be received with any feedback passed on to the directors of HB LASS Limited for consideration.

CARRIED FM/26

Councillor Nixon left the meeting at 10.30am.

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*The meeting adjourned for morning tea at 10.30am  
and reconvened at 10.50am*

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**11. FINANCIAL REPORT FOR THE 6 MONTHS ENDED 31 DECEMBER 2014**

(Document 15/262)

The Accounting Manager, Ms Guilford gave a powerpoint presentation (FIN-09-01-15-126) providing an overview of the financial result for the six months ended 31 December 2014.

Officers were asked to report back, at the next meeting, with an explanation on why building control costs indicate a \$275,000 deficit compared to last year.

Councillor Lester/Councillor Roil

**That the report of the Accounting Manager titled "Financial Report for the 6 months ended 31 December 2014" dated 24/03/2015 be received.**

**CARRIED FM/27**

**12. ADDITIONAL BUSINESS ITEMS**

There were no additional business items.

**13. EXTRAORDINARY BUSINESS ITEMS**

There were no extraordinary business items.

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The meeting closed at 11.10am

Confirmed:

Chairman:

Date: