



Hastings District Council

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OPEN MINUTES

FINANCE AND MONITORING COMMITTEE

Meeting Date: **Tuesday, 22 September 2015**

**Minutes of a Meeting of the Finance and Monitoring Committee held on
22 September 2015 at 2.20pm**

Table of Contents

<u>Item</u>	<u>Page No.</u>
1. Apologies	1
2. Conflicts of Interest	1
3. Confirmation of Minutes	2
4. Summary of Recommendations of the Hastings District Rural Community Board meeting 21 September 2015	2
8. Te Mata Park Trust Board - Council Controlled Organisation Exemption	4
7. Horse of the Year (Hawke's Bay) Limited - 2014/15 Annual Report	4
9. Hastings City Business Association Funding	5
6. Annual Report - Omarunui LFG Generation Limited Partnership for the year ending 31 March 2015	5
5. Draft Financial Year End Result - 30 June 2015	6
10. Additional Business Items	7
11. Extraordinary Business Items	7

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, 22 SEPTEMBER 2015 AT 2.20PM

PRESENT: **Chair:** Councillor Kerr
Mayor Yule
Councillors Bowers (Deputy Chair), Bradshaw, Dixon,
Hazlehurst, Lester, Lyons, Nixon, O'Keefe, Pierce,
Poulain, Roil and Watkins

IN ATTENDANCE: Chief Executive (Mr R McLeod)
Group Manager: Asset Management (Mr C Thew)
Group Manager: Community Facilities & Programmes (Ms
A Heather)
Group Manager: Corporate and Customer Services (Mr M
Maguire)
Group Manager: Human Resources (Mrs B Bayliss)
Group Manager: Planning and Regulatory (Mr J
O'Shaughnessy)
Group Manager: Strategy and Development (Mr D
Morgan)
Acting Chief Financial Officer (Mr B Allan)
Special Projects (Mr T Gray)
Strategic Financial Advisor (Mrs Thomson)
Accounting Manager (Ms J Guilford)
Water Services Manager (Mr B Chapman)
Committee Secretary (Mrs C Hunt)

AS REQUIRED: Susan McDade, City Centre Manager, Hastings Business
Association

1. APOLOGIES

Councillor Bowers/Councillor Kerr

That an apology for absence from Councillor Heaps be accepted.

CARRIED

2. CONFLICTS OF INTEREST

The following conflicts of interest were declared:

Mayor Yule	Item 5 – HB Regional Sports Park Surplus
Councillor Bowers	Item 7 – Horse of the Year
Councillor Bradshaw	Item 8 – Te Mata Park Trust Board
Councillor Hazlehurst	Item 8 – Te Mata Park Trust Board
Councillor Roil	Item 9 – Hastings City Business Association
Councillor Dixon	Item 9 – Hastings City Business Association

3. CONFIRMATION OF MINUTES

Councillor Kerr/Councillor Hazlehurst

That the minutes of the Finance and Monitoring Committee Meeting held Thursday 27 August 2015 be confirmed as a true and correct record and be adopted.

CARRIED

4. SUMMARY OF RECOMMENDATIONS OF THE HASTINGS DISTRICT RURAL COMMUNITY BOARD MEETING 21 SEPTEMBER 2015 (Document 15/1053)

Circulated at the meeting were the recommendations from the Hastings District Rural Community Board meeting held on 21 September 2015 (15/1079).

It was noted that the following recommendation from the Rural Community Board regarding the Hastings District Council Bylaw Review (Document 15/1001) was required to be addressed by Council and this would be undertaken as an Additional Item at the Council meeting to be held on 24 September 2015.

- A) *That the report of the Team Leader Environmental Health and Liquor Licensing titled "Hastings District Council Bylaw Review" dated 21/09/2015 be received.*
- B) *That the Hastings District Rural Community Board considered the issues raised in the report and provided the following comments which it considered appropriate to assist staff in developing the draft bylaws for consultation:*
- Have a less prescriptive approach in the Bylaws
 - 10.1.5(b) - Bee hives - (Animal Control Bylaw) needs to be clarified
 - 10.1.8 (Animal Control Bylaw) – goats can be free range
- C) *That it is recommended to Council that the Chair of the Hastings District Rural Community Board, Mr Peter Kay be added as a member to the Bylaws Working Party" and the Terms of Reference be amended to reflect this".*

Councillor Lester/Councillor Kerr

- A) **That the report of the Democratic Support Manager titled "Summary of Recommendations of the Hastings District Rural Community Board meeting 21 September 2015" be received.**
- B) **The following recommendations of the Hastings Rural Community Board meeting held on 21 September 2015 be ratified:**

6. MARAEKAKAHO RURAL RECYCLING (Document 15/992)

- A) *That the report of the Waste Minimisation Planner titled "Maraekakaho Rural Recycling" dated 21/09/2015 be received.*

B) That the Maraekakaho Rural Recycling service utilizing two multi compartment bins be established at the road reserve land between 3477 State Highway 50, LOTS 1 2 DP 473957 LOT 13 DP 5346 - Sports Ground and the Maraekakaho Bridge, id410.

4. DRAFT FINANCIAL RESULT - YEAR END RESULT FOR RATING AREA 2 AS AT 30 JUNE 2015

(Document 15/33)

A) That the report of the Accounting Manager dated 21 September 2015 titled "Draft Financial Result - Year End Result for Rating Area 2 as at 30 June 2015" be received.

B) That the Hastings Rural Community Board recommend to Council that a new target level for the Rural Flood and Emergency Event Reserve be established of \$2,000,000.

C) That the Hastings Rural Community Board recommend to Council that any Rating Area 2 surplus for the 2014/15 financial year be located as follows:

	\$
Surplus on General Rate	496,010
<u>Allocation of Surplus:</u>	
<i>Hastings CBD Car Parking</i>	<i>22,176</i>
<i>Crematorium Chapel</i>	<i>31,475</i>
<i>Splash Planet Re-investment reserve</i>	<i>6,720</i>
<i>International Marketing / Hockey Festival</i>	<i>6,295</i>
<i>Business Hawke's Bay</i>	<i>5,661</i>
<i>Hastings City Business Association Marketing</i>	<i>2,419</i>
<i>Hastings CBD – Night Markets</i>	<i>1,949</i>
<i>Hastings CBD Symposium – delivery of actions</i>	<i>2,016</i>
Remaining Surplus	417,299

D) That the Hastings Rural Community Board recommend to Council that 50% of the remaining surplus be allocated to the Rural Flood and Emergency Event Reserve (\$208,650) with the remaining 50% balance (\$208,649) used to repay debt.

C) That the Hastings District Rural Community Board Recommendation (B) 7) set out below be referred to the 24 September 2015 Council meeting for ratification:

**"7. HASTINGS DISTRICT COUNCIL BYLAW REVIEW
(Document 15/1001)**

A) That the report of the Team Leader Environmental Health and Liquor Licensing titled "Hastings District Council Bylaw Review" dated 21/09/2015 be received.

B) That the Hastings District Rural Community Board considered the issues raised in the report and provided the following comments which it considered appropriate to assist staff in developing the draft bylaws for

consultation:

- **Have a less prescriptive approach in the Bylaws**
- **10.1.5(b) - Bee hives - (Animal Control Bylaw) needs to be clarified**
- **10.1.8 (Animal Control Bylaw) – goats can be free range**

C) That recommend to Council that the Chair of the Hastings District Rural Community Board, Mr Peter Kay be added as a member to the Bylaws Working Party” and the Terms of Reference amended to reflect this”.

CARRIED

With the agreement of the meeting Items 8 and 7 were taken out of order.

Having previously declared a conflict of interest Councillors Bradshaw and Hazlehurst withdrew from the meeting.

8. TE MATA PARK TRUST BOARD - COUNCIL CONTROLLED ORGANISATION EXEMPTION
(Document 15/1043)

Councillor Watkins/Mayor Yule

- A) That the report of the Acting Chief Financial Officer titled “Te Mata Park Trust Board - Council Controlled Organisation Exemption” dated 22/09/2015 be received.**
- B) That, as provided for in sections 6 and 7 of the Local Government Act 2002, the Council grants the Te Mata Park Trust Board an exemption from being a Council Controlled Organisation, as defined by section 6 of the local Government Act 2002 for a period of three years to 30 June 2018.**

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

- **Allowing the Te Mata Park Trust Board to cost effectively manage their business of providing an important recreational space for the community without being encumbered by excessive administrative obligations.**

CARRIED

Councillors Bradshaw and Hazlehurst rejoined the meeting.

7. HORSE OF THE YEAR (HAWKE'S BAY) LIMITED - 2014/15 ANNUAL REPORT
(Document 15/1026)

Councillor Pierce joined the meeting at 2.30pm.

Councillor Lester/Councillor Hazlehurst

- A) That the report of the Strategic Financial Advisor titled "Horse of the Year (Hawke's Bay) Limited - 2014/15 Annual Report" dated 22/09/2015 be received.
- B) That Council receive the Horse of the Year (Hawke's Bay) Limited 2014/15 Annual Report.

CARRIED

Having previously declared an interest in Item 9 Councillors Dixon and Roil withdrew from the meeting.

9. HASTINGS CITY BUSINESS ASSOCIATION FUNDING

(Document 15/1055)

The City Centre Manager of the Hastings Business Association Ms McDade responded to questions from the Committee and advised that they had calculated their budgets on the basis that the rate in the dollar charged for the Hastings City Marketing Rate would remain the same and with an additional 49 properties would provide additional revenue of \$36,000.

Ms McDade advised that the Association would work with Council's Finance Group so that they were aware of timelines for the future.

Councillor Pierce/Councillor Hazlehurst

- A) That the report of the Acting Chief Financial Officer titled "Hastings City Business Association Funding" dated 22/09/2015 be received.
- B) That Council provide \$36,000 (plus GST) of additional funding to the Hastings City Business Association to fund marketing initiatives from the 2014/15 rating surplus.

With the reasons for this decision being that the objective of the decision will contribute to meeting the current and future needs of communities for local public services in a way that is most cost-effective for households and business by:

- i) **Contributing to the Hastings City Business Association will encourage vibrancy and activity to the Hastings CBD.**

CARRIED

Councillors Dixon and Roil rejoined the meeting.

6. ANNUAL REPORT - OMARUNUI LFG GENERATION LIMITED PARTNERSHIP FOR THE YEAR ENDING 31 MARCH 2015

(Document 15/965)

Councillor Kerr/Councillor Lyons

- A) That the report of the Strategic Financial Advisor titled "Annual Report - Omarunui LFG Generation Limited Partnership for the year ending 31 March 2015" dated 22/09/2015 be received.
- B) That Council receive the Omarunui LFG Generation Limited Partnership 2014/15 Annual Report.

CARRIED

5. DRAFT FINANCIAL YEAR END RESULT - 30 JUNE 2015

(Document 15/24)

The Accounting Manager, Ms Guilford displayed a powerpoint presentation (CG-13-3-00107) providing an overview of the interim financial report to June 2015.

Councillor Bowers/Councillor Lester

- A) That the report of the Accounting Manager titled “Draft Financial Year End Result - 30 June 2015” dated 22/09/2015, be received.
- B) That the Rating Area 2 surplus for the 2014/15 financial year be allocated as follows:

	\$
Surplus on General Rate	496,010
<u>Allocation of Surplus:</u>	
Hastings CBD Car Parking	22,176
Crematorium Chapel	31,475
Splash Planet Re-investment reserve	6,720
International Marketing / Hockey Festival	6,295
Business Hawke’s Bay	5,661
Hastings Business Association - Marketing	2,419
Hastings CBD Night Markets	1,949
Hastings CBD Symposium – delivery of actions	2,016
Remaining Surplus	417,299

- D) That a new target level for the Rural Flood and Emergency Event Reserve be established of \$2,000,000.
- D) That the Hastings Rural Community Board recommend to Council that 50% of the remaining surplus be allocated to the Rural Flood and Emergency Event Reserve (\$208,650) with the remaining 50% balance (\$208,649) used to repay debt.
- E) That in accordance with Council’s financial policies and strategies the rating surplus for Rating Area 1, not otherwise allocated, as set out in the following table, be used for the repayment of debt in the Stormwater activity.
- F) That the rating surplus be allocated as per the following table:

	\$		
	TOTAL	Rating Area 1	Rating Area 2
Surplus on General Rate	1,740,266	1,244,256	496,010
<u>Proposed projects to be funded from surplus</u>			
Hastings CBD Car Parking	330,000	307,824	22,176
Crematorium Chapel	250,000	218,525	31,475
Splash Planet re-investment Reserve	100,000	93,280	6,720
International Marketing / Hockey Festival	50,000	43,705	6,295
Business Hawke’s Bay	50,000	44,339	5,661
Hastings Business Association -Marketing	36,000	33,581	2,419
Hastings CBD - Night Markets	29,000	27,051	1,949

Hastings CBD Symposium – delivery of actions	30,000	27,984	2,016
Remaining Surplus	865,266	447,967	417,299
<u>Proposed allocations for remaining surplus</u>			
RA2 Contribution to Flood Reserve	208,650		208,650
Repayment of RA2 Taihape Road Debt	208,649		208,649
Repayment of RA1 Stormwater Debt	447,967	447,967	
Total Allocation of Remaining Surplus	865,266	447,967	417,299

G) That the budgets as per the schedule of Carry Forwards funded by rates and loans be approved to be carried forward to the 2015/16 financial year.

H) That the funding proposed to be allocated to the Hastings CBD Car Parking, Crematorium Chapel, International Marketing Hockey Festival and Hastings CBD Symposium be set aside pending a final decision being made by Council and in the event that any part of the funding is not required it will be used for debt repayment.

CARRIED

10. ADDITIONAL BUSINESS ITEMS

There were no additional business items.

11. EXTRAORDINARY BUSINESS ITEMS

There were no extraordinary business items.

The meeting closed at 3.50pm

Confirmed:

Chairman:

Date: