

**MINUTES OF THE FINANCE REGULATORY AND BUSINESS SUPPORT OF THE GREY DISTRICT COUNCIL****Held in Council Chambers, 105 Tainui Street, Greymouth****on Monday 29 January 2024 commencing at 2:00 pm**

**PRESENT:** Cr Rex MacDonald (Chair)  
Mayor Tania Gibson, Councillor Allan Gibson, Councillor John Canning, Councillor Peter Davy, Councillor Kate Kennedy, Councillor Robert Mallinson, Councillor Jack O'Connor, Councillor Tim Mora, Kaiwhakahaere Francois Tumahai

**IN ATTENDANCE:** Paul Morris (Chief Executive), Gerhard Roux (Group Manager Support), Petro Klopper (Financial Accountant), Aaron Haymes (Group Manager Operations), Trish Jellyman (Democracy Advisor), Megan Bourke (Communications Officer), Shannon Beynon (Communications & Engagement Manager)

**1 APOLOGIES AND DECLARATIONS OF INTEREST****1.1 APOLOGIES**

There were no apologies.

**1.2 UPDATES TO THE INTERESTS REGISTER**

There were no updates to the Interest Register.

**1.3 IDENTIFY ANY CONFLICTS OF INTERESTS IN THE AGENDA**

There were no declarations of interest.

**1.4 NOTIFICATION OF LATE ITEMS**

There were no late items.

**2 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS****2.1 CONFIRMATION OF THE FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 27 NOVEMBER 2023**

**COMMITTEE RESOLUTION FRABS 24/01/001**

**Moved: Mayor Tania Gibson**

**Seconded: Cr John Canning**

That the minutes of the Finance Regulatory and Business Support Committee held on 27 November 2023 be confirmed as true and correct.

**Carried Unanimously**

### 3 AGENDA ITEMS

#### 3.1 FINANCE REPORT FOR THE PERIOD ENDING 30 NOVEMBER 2023

Refer page 14 of the agenda. The Chairman advised that this is the first time this format of the report is in the agenda.

The GMS spoke to this report and advised there will be some changes to these accounts as major road works that are being done over the dry season are yet to be included.

Cr Mallinson asked about the validity of including 12 months rates income in the income statement as it is somewhat confusing showing that Council has received all the rates income in the first five months of the year. The GMS responded that at the start of the year Council invoiced for the full 12 months and should accrue rates over 12 equal instalments. He agreed to correct this into 12 equal months.

In response to a question from Cr Gibson, the GMS confirmed that the total budgeted deficit is \$3.6M. He provided clarification around borrowing and cashflow payments. The Chairman stated that these are new reports and encouraged members to send any queries to the GMS via email prior to the next meeting of this committee. The CE advised that Council budgeted a deficit of \$3.6M for the full year and this mainly relates to Council not fully funding depreciation. The CE advised that Council is covering its costs associated with borrowing and will rate for the interest component. He provided further information on this matter.

Cr Mallinson called a point of order in relation to a question from Cr Canning that related to a matter in a report that is still to be considered. It was agreed this question would be deferred to the appropriate section of the meeting.

Her Worship asked if there is a better way to report the financials. The CE advised that the financials are based on the accounting standards that Council as an organisation has to live by. He stated that the next paper is more of a management set of accounts and is a lot less formal and can be tailored to meet the needs of Council and can be made more understandable, and refined to what is to be presented.

Cr Kennedy stated it is great to see the increase in development contributions which is an increase in last year's.

#### COMMITTEE RESOLUTION FRABS 24/01/002

**Moved:** Cr Robert Mallinson

**Seconded:** Cr Jack O'Connor

That the Finance Regulatory and Business Support Committee:

- a) Receives the report and notes the contents.

**Carried Unanimously**

#### 3.2 ACTIVITY BASED MANAGEMENT ACCOUNTS FOR THE PERIOD ENDING 30 NOVEMBER 2023

Refer page 22 of the agenda.

The GMS spoke to this report.

#### COMMITTEE RESOLUTION FRABS 24/01/003

**Moved:** Cr Robert Mallinson

**Seconded:** Cr Kate Kennedy

That the Finance Regulatory and Business Support Committee:

- (a) Receive the report and note the contents.

**Carried Unanimously**

The GMS spoke to this report and stated this is the inaugural set of accounts and is Council's document to assess performance of each division. He welcomed questions. The Chairman reminded the meeting that this is the first iteration of this report and if necessary, the GMS may email responses to Councillors if there are questions that cannot be answered immediately.

Cr Canning drew attention to page 31 – contractors and professional services expenses of \$259,000 and stated that Council is five months through and at 259% which is unfavourable. The GMS advised that this relates the work done by consultants on the LTP and involves costs for three different service providers including the Acting GMS and a project manager as well as consultants who were also used for work relating to asset management plans. Cr Canning stated that \$269,000 is not a small blowout, he asked who is tracking this as Council is only 38% through the LTP. The GMS advised that he is tracking these expenses. The GMS stated that two service providers are no longer working on the LTP as this is now being managed internally. It was agreed that the GMS would provide Councillors with further information on this matter via email.

In response to a question from Cr Mallinson, the CE said that the People and Capabilities division covers HR, Health & Safety, and Communications and Engagement. The CE advised that for 18 months Council was without a GMS and therefore the Communications & Engagement area was given to another manager.

The CE confirmed that the funding for the Pounamu Pathway was out of last year's budget allocation, which was funded from reserves, and this year's contribution was funded from rates. He advised that there is another instalment due next financial year which is the limit of Council's obligation to the Pounamu Pathway project.

Cr Kennedy spoke of the recent vandalism to signs that has occurred over the weekend. She noted that this report confirms that the cost to replace one Council sign is \$6,168. Her Worship advised that this is now a police matter as around \$30,000 worth of vandalism was done over the weekend.

Cr Mallinson passed on his congratulations to the GMS for including much more detail in the monthly accounts. The Chairman agreed and stated that it is now a lot easier to get an overview of these.

**3.3 LONG TERM PLAN 2024-2034 UPDATE**

Refer page 40 of the agenda.

**COMMITTEE RESOLUTION FRABS 24/01/004**

**Moved:** Cr Allan Gibson

**Seconded:** Cr Tim Mora

That the Finance Regulatory and Business Support Committee:

- a) Receive the report and note the contents.

**Carried Unanimously**

The GMS spoke to this report. He stated that changes in central government have resulted in changes to the LTP project deadlines. The GMS advised that Council is still awaiting some finality to Three Waters legislation. He advised that the LTP is in progress pending any legislative changes, he is now finalising the last few workshops with Councillors and is working towards having a draft budget and a long term plan for infrastructure, finance strategies and AMP's completed in the next few weeks. The Chairman asked the GMS if he is comfortable with how Council is tracking. The GMS responded that Council is slightly behind, as there have been changes in resources within the finance department but to date the LTP is on track to deliver on time but it will be tight. The GMS advised that there is still audit work and work on the consultation document to be completed. He is stated he will be confirming workshop dates within the next week and is keen to get a feel for Council's significance and engagement matters which will then be taken to Council for their confirmation.

## 4 IN COMMITTEE ITEMS

### COMMITTEE RESOLUTION FRABS 24/01/005

**Moved:** Cr Rex MacDonald

**Seconded:** Cr John Canning

That the Finance Regulatory and Business Support Committee excludes the public is excluded from:

- a) The following parts of the proceedings of this meeting, namely;

Agenda Item(s)

#### 4.1 CONFIRMATION OF IN COMMITTEE MINUTES OF FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 27 NOVEMBER 2023

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
4.1 - CONFIRMATION OF IN COMMITTEE MINUTES OF FINANCE REGULATORY AND BUSINESS SUPPORT COMMITTEE HELD ON 27 NOVEMBER 2023	s7(2)(c)(ii) - the withholding of the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

Carried Unanimously

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**5 SUB-COMMITTEE RESUME IN OPEN MEETING**

**CLOSURE OR RATIFICATION OF DECISIONS IN OPEN MEETING.**

The meeting concluded at 2.30 pm

**Confirmed**

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**R MacDonald**

**Chairperson**

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**Date**

UNCONFIRMED