
Finance Committee *Komiti Tahua* OPEN MINUTES

Minutes of a meeting of the Finance Committee held in Council Chamber, Municipal Building, Garden Place, Hamilton and Audio-visual Link on Tuesday 6 October 2020 at 9.30am.

PRESENT

Chairperson Cr R Pascoe
Heamana

Deputy Chairperson Cr M van Oosten
Heamana Tuarua

Members Mayor P Southgate
Deputy Mayor G Taylor (Audio-visual link)
Cr M Bunting (Audio-visual link)
Cr M Gallagher
Cr R Hamilton
Cr D Macpherson
Cr K Naidoo-Rauf (Audio-visual link)
Cr A O'Leary
Cr S Thomson
Cr E Wilson
Maangai H Rau

In Attendance David Bryant – General Manager Corporate
Eeva-Liisa Wright – General Manager Infrastructure Operations
Chris Allen – General Manager City Growth
Lance Vervoort – General Manager Community
Tracey Musty – Financial Controller
Iain Anderson – Capital Financial Lead
Matthew Bell – Rates and Revenue Manager
Maire Porter – City Waters Manager
Julie Clausen – Unit Manager Strategy and Corporate Planning
Julie Sanderson – Group Business Manager City Growth
James Clarke – Director of the Mayor's Office

Governance Staff Becca Brooke – Governance Manager
Narelle Waite and Carmen Fortin – Governance Advisors

1. Apologies – *Tono aroha*

Resolved: (Cr Pascoe/Cr van Oosten)
That the apologies for absence from Cr Forsyth are accepted.

2. Confirmation of Agenda – *Whakatau raarangi take*

Resolved: (Cr Pascoe/Cr van Oosten)

That the Agenda is confirmed.

3. Declarations of Interest – *Tauaakii whaipanga*

No members of the Council declared a Conflict of Interest.

4. Public Forum – *Aatea koorero*

Roger Stratford spoke to Item 9 (Financial Strategy Monitoring Report) concerning perceived risk in financial strategy, rates and debt.

5. Confirmation of the Open Finance Committee Minutes - 11 August 2020

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee confirm the Open Minutes of the Finance Committee Meeting held on 11 August 2020 as a true and correct record.

6. Chair's Report

Cr Pascoe took the report as read, noting staff and Members' continued work on the procurement review.

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee receives the report.

7. Capital Portfolio Monitoring Report

The Capital Financial Lead spoke to the report noting accomplishments of the 19/20 financial year. He responded to questions from Members concerning capitalisation, planned expenditure and deferrals, the Hamilton Zoo project stage, and Peacocke's fair value.

Staff Action: *Staff undertook provide a table in future Capital Portfolio Monitoring Reports to show the impact of deferred capital project's against the original Long Term Plan projections.*

Resolved: (Cr Pascoe/Cr van Oosten)

That the Finance Committee receives the report.

8. Annual Monitoring Report to 31 August 2020

The Financial Controller spoke to the report, noting updates to forecasting and interest rates. She responded to questions from Members concerning report graphics, debt to revenue, capital deferrals, the living wage, investments, personnel costs and interest rates.

Resolved: (Cr Pascoe/Cr Hamilton)

That the Finance Committee receives the report.

9. Financial Strategy Monitoring Report (*Recommendation to the Council*)

The Financial Controller spoke to the report, noting the Financial Strategy Graphs would change format in future reports. She responded to questions from Members concerning rates, report

graphics, forecasting, and the Local Government Funding Agency (LGFA) limit.

Resolved: (Cr Pascoe/Cr Wilson)

1. That the Finance Committee receives the report.
2. That the Finance Committee recommends that the Council:
 - a) approves the capital movement as identified in the 6 October 2020 Capital Portfolio Monitoring Report;
 - b) approves the significant forecast adjustments as set out in paragraphs 17 to 21 of this report; and
 - c) approves the revised Financial Strategy position for Debt to Revenue, Net Debt and Balancing the Books as set out in paragraphs 22 to 26 of this report.

10. New Zealand Local Government Funding Agency - 2020 Annual Report

Andrew Michl (Senior Manager, NZ Local Government Funding Agency) presented the LGFAs Annual Report. He responded to questions from Members concerning credit ratings, debt capacity, insurance, the Green and Social and Sustainable Lending Framework, operating deficits, revenue reduction, amalgamation of local authorities, interest expense and LGFA capital.

Resolved: (Cr Hamilton/Cr Thomson)

That the Finance Committee:

- a) receives the report; and
- b) notes the achievements highlighted in the cover letter to shareholders (**Attachment 1** of the staff report).

Cr O'Leary left the meeting (11.42am) during the above item. She was not present when the matter was voted on.

11. Resolution to Exclude the Public

Resolved: (Cr Pascoe/van Oosten)

Section 48, Local Government Official Information and Meetings Act 1987

The following motion is submitted for consideration:

That the public be excluded from the following parts of the proceedings of this meeting, namely consideration of the public excluded agenda.

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 follows.

General subject of each matter to be considered	Reasons for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
C1. Confirmation of Finance Public Excluded Minutes - 11 August 2020) Good reason to withhold) information exists under) Section 7 Local Government	Section 48(1)(a)
C2. Report on overdue debtors as at 31 August) Official Information and) Meetings Act 1987	

2020 & Debt write-offs)
2020/21

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

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| Item C1. | to prevent the disclosure or use of official information for improper gain or improper advantage | Section 7 (2) (j) |
| Item C2. | to protect the privacy of natural persons | Section 7 (2) (a) |
| | to maintain the effective conduct of public affairs through protecting persons from improper pressure or harassment | Section 7 (2) (f) (ii) |

The meeting went into the Public Excluded session at 11.54am.

The meeting was declared closed at 12.16pm.