

PALMERSTON NORTH CITY COUNCIL

Minutes of the Finance & Audit Committee Meeting Part I Public, held as an Audio-Visual meeting on 23 March 2022, commencing at 9.01am

Members Present: Councillor Susan Baty (in the Chair), The Mayor (Grant Smith) and Councillors Vaughan Dennison, Renee Dingwall, Lew Findlay QSM, Patrick Handcock ONZM, Leonie Hapeta, Lorna Johnson, Karen Naylor, Bruno Petrenas, Aleisha Rutherford and Mr Stephen Armstrong.

Non Members: Councillor Brent Barrett, Rachel Bowen, Zulfiqar Butt and Orphée Mickalad.

Apologies: The Mayor (Grant Smith) (early departure on Council business) and Councillors Lew Findlay QSM (early departure) and Billy Meehan.

Councillor Vaughan Dennison left the meeting at 9.39am and entered the meeting again at 9.52am during consideration of clause 20. He was present for all clauses.

Councillor Orphée Mickalad was not present when the meeting resumed at 10.52am. He entered the meeting again at 10.56am during consideration of clause 22. He was present for all clauses.

Councillor Lorna Johnson was not present when the meeting resumed at 10.52am. She entered the meeting again at 10.59am during consideration of clause 22. She was present for all clauses.

Councillor Rachel Bowen left the meeting at 11.02am during consideration of clause 22. She was present when the meeting resumed at 1.56pm. She was not present for clauses 22 and 23.

The Mayor (Grant Smith) left the meeting at 11.40am at the conclusion of clause 22. He entered the meeting again at 2.20pm during consideration of clause 25. He was not present for clauses 23 and 24.

Councillor Leonie Hapeta was not present when the meeting resumed at 1.56pm. She was not present for clauses 24 to 27 inclusive.

17-22 Apologies

Moved Susan Baty, seconded Aleisha Rutherford.

The **COMMITTEE RESOLVED**

1. That the Committee receive the apologies.

Clause 17-22 above was carried.

Declaration of Interest

FINANCE & AUDIT COMMITTEE - PART I - 23 MARCH 2022

Councillor Vaughan Dennison declared a conflict of interest in item 13 (clause 26) and stated he would withdraw from the discussion.

18-22 Confirmation of Minutes

Moved Susan Baty, seconded Lorna Johnson.

The **COMMITTEE RESOLVED**

1. That the minutes of the Finance & Audit Committee meeting of 23 February 2022 Part I Public and Part II Confidential be confirmed as true and correct records.

Clause 18-22 above was carried.

19-22 Palmerston North Airport Ltd - Interim Report for 6 months to 31 December 2021

Memorandum, presented by Steve Paterson, Strategy Manager Finance, Murray Georgel (Palmerston North Airport Ltd (PNAL) Chair) and David Lanham (PNAL Chief Executive).

Moved Susan Baty, seconded Zulfiqar Butt.

The **COMMITTEE RECOMMENDS**

1. That Council receive the Interim Report and Financial Statements of Palmerston North Airport Ltd for the period ended 31 December 2021, presented to the Finance & Audit Committee on 23 March 2022.

Clause 19-22 above was carried.

20-22 Palmerston North Airport Ltd - Draft Statement of Intent for 2022/23

Memorandum, presented by Steve Paterson, Strategy Manager Finance, Murray Georgel (PNAL Chair) and David Lanham (PNAL Chief Executive).

Councillor Vaughan Dennison left the meeting at 9.39am and entered the meeting again at 9.52am.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council receive the Palmerston North Airport Ltd (PNAL) draft Statement of Intent for 2022/23, presented to the Finance & Audit Committee on 23 March 2022, and PNAL be advised that Council supports the proposed direction and implementation strategy.

Clause 20-22 above was carried.

FINANCE & AUDIT COMMITTEE - PART I - 23 MARCH 2022

21-22 Debt funding arrangements for Palmerston North Airport Ltd - Loan Facility Agreement

Memorandum, presented by Steve Paterson, Strategy Manager Finance.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That the loan facility agreement (attached) that would enable the Council to borrow sums from the Local Government Funding Agency and on-lend to Palmerston North Airport Limited in the form of fixed rate unsecured debt be approved.
2. That the Chief Executive be authorised to approve amendments to the agreement (if required) to address the way in which Local Government Funding Agency Borrower Notes are treated between the parties, or as a consequence of annual reviews.
3. That the Chief Executive be authorised to enter transactions contemplated by the loan agreement of amounts not exceeding \$10 million in advance of the approval of the final Statement of Intent each year, and subsequently transactions not exceeding the maximum term debt for each year as outlined in the adopted Statement of Intent.

Clause 21-22 above was carried.

Note:

Councillor Orphée Mickalad did not participate in the vote.

The meeting adjourned at 10.33am.

The meeting resumed at 10.52am.

When the meeting resumed Councillors Lorna Johnson and Orphée Mickalad were not present.

22-22 Fees and Charges Review

Report, presented by Steve Paterson, Strategy Manager Finance.

Councillor Orphée Mickalad entered the meeting at 10.56am.

Councillor Lorna Johnson entered the meeting at 10.59am.

Councillor Rachel Bowen left the meeting at 11.02am.

Moved Susan Baty, seconded Lorna Johnson.

The **COMMITTEE RECOMMENDS**

Planning & Miscellaneous

1. That the Statement of Proposal (and the associated summary) to adopt updated fees and charges for Planning Services and Miscellaneous Services effective from 1 July 2022 as attached in Appendix 3, be approved for public consultation and the Chief

FINANCE & AUDIT COMMITTEE - PART I - 23 MARCH 2022

Executive be authorised to undertake the necessary consultative process under sections 83 and 150 of the Local Government Act 2002.

Building

2. That the fees and charges for Building Services, as proposed in Appendix 4 be adopted and following public notification take effect from 1 July 2022.

Clauses 22-22 and 22.2-22 above were carried.

Moved Susan Baty, seconded Lorna Johnson.

3. That Council receive the report titled 'Fees and Charges Review', presented to the Finance & Audit Committee on 23 March 2022, and that the current status of fees and charges be noted.

Trade Waste

4. That the proposal to adopt updated fees and charges for Trade Waste services effective from 1 July 2022 as attached in Appendix 2, be approved for public consultation and the Chief Executive be authorised to undertake the necessary consultative process under sections 82 and 150 of the Local Government Act 2002.

Environmental Health

5. That the fees and charges for Environmental Health Services (in terms of regulation 7 of the Health (Registration of Premises) Regulations 1966) as proposed in Appendix 5, be adopted and following public notification, take effect from 1 July 2022.

Animal Control

6. That the fees and charges for the Impounding of Animals (in terms of section 14 of the Impounding Act 1955) and for Dog Registration and Dog Impounding (in terms of sections 37 and 68 of the Dog Control Act 1996) as proposed in Appendix 6 be adopted, and following public notification, take effect from 1 July 2022.

Burial & Cremation

7. That the fees and charges for Burial and Cremation, as proposed in Appendix 7 be adopted and following public notification, take effect from 1 July 2022.

Service Connections

8. That the fees and charges for Service Connections, as proposed in Appendix 8 be adopted and take effect from 1 July 2022.

Resource Recovery/Waste Management

9. That the changes to fees and charges for Resource Recovery/Waste Management relating to the recycling of tyres as proposed in Appendix 9 be adopted and take effect from 1 July 2022.

FINANCE & AUDIT COMMITTEE - PART I - 23 MARCH 2022

Sportsfields

10. That the fees and charges for Sportsfields as proposed in Appendix 10 be adopted and take effect from 1 July 2022.

Backflow Prevention

11. That the fees and charges for Backflow Prevention testing and maintenance as proposed in Appendix 11 be adopted and take effect from 1 July 2022.

Corridor Access Request

12. That the fees and charges for Corridor Access Requests as proposed in Appendix 12 be adopted and take effect from 1 July 2022.

Clauses 22-22 to 22.12-22 above were carried.

The Mayor (Grant Smith) left the meeting at 11.40am.

23-22

Variations to Operating Budget

Memorandum, presented by Cameron McKay, Acting Chief Financial Officer.

Moved Susan Baty, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council receive the memorandum titled 'Variations to Operating Budget' presented to the Finance & Audit Committee on 23 March 2022.
2. That Council note and approve bringing forward capital expenditure of \$1m from 2022/23 into 2021/22 for Programme 1879 - Council's Plant and Vehicle Replacements.

Clause 23-22 above was carried.

The meeting adjourned at 12.02pm.

The meeting resumed at 1.56pm.

The Mayor (Grant Smith) and Councillor Leonie Hapeta were not present when the meeting resumed.

24-22

Allocation of funding from the Low Carbon Fund to Capital Renewal Programmes

Memorandum, presented by Adam Jarvis, Senior Climate Change Advisor.

Moved Susan Baty, seconded Lorna Johnson.

The **COMMITTEE RECOMMENDS**

1. That 'Programme 1791 – Parks Depot – Building Reserves' be increased by \$90,000 in the 2021/2022 Financial Year for the upgrade of the Ferguson Street Depot boiler to modern energy

FINANCE & AUDIT COMMITTEE - PART I - 23 MARCH 2022

efficiency standards.

2. That 'Programme 1837 - Swimming Pools – Pool Renewals' be increased by \$39,558 in the 2021/2022 Financial Year for the upgrade of the modern energy efficient variable speed drives at the Lido Aquatic Centre.
3. That 'Programme 1888 – Low Carbon Fund' be reduced by \$129,558 in the 2021/2022 Financial year.

Clause 24-22 above was carried.

25-22

Ashhurst Domain - Vacant Ex-Cafe Building Options

Report, presented by Bryce Hosking, Group Manager - Property, and Kathy Dever-Tod, Group Manager - Parks and Logistics.

After discussion Elected Members were of the opinion that Council should retain the ex-café building within Ashhurst Domain. Waiting until the review of Ashhurst Domain Reserve Management Plan was completed would provide a complete picture, including the historical and heritage value of both the land and building.

The Mayor (Grant Smith) entered the meeting at 2.20pm.

Moved Vaughan Dennison, seconded Karen Naylor.

The **COMMITTEE RECOMMENDS**

1. That Council retain the ex-café building within Ashhurst Domain and seek to lease the building once the review of Ashhurst Domain Reserve Management Plan is completed.

Clause 25-22 above was carried.

26-22

Colquhoun Park - Proposal to grant a lease on reserve land to Manawatu Softball Association Incorporated and Freyberg Old Boys' Rugby Football Club Incorporated

Memorandum, presented by Bryce Hosking, Group Manager - Property and Kathy Dever-Tod, Group Manager - Parks and Reserves.

Moved Grant Smith, seconded Patrick Handcock ONZM.

The **COMMITTEE RECOMMENDS**

1. That Council approve entering a new lease with Manawatu Softball Association and Freyberg Old Boys' Rugby Club Incorporated for part of the Colquhoun Park Pavilion, 134-136 Fairs Road, Palmerston North, in accordance with Section 54 of the Reserves Act 1977.

Clause 26-22 above was carried.

Note:

Councillor Vaughan Dennison declared a conflict of interest and withdrew from the discussion.

FINANCE & AUDIT COMMITTEE - PART I - 23 MARCH 2022

27-22 Committee Work Schedule

Moved Susan Baty, seconded Patrick Handcock ONZM.

The **COMMITTEE RESOLVED**

1. That the Finance & Audit Committee receive its Work Schedule dated March 2022.

Clause 27-22 above was carried.

The meeting finished at 2.35pm.

Confirmed 27 April 2022

Chairperson