
Minutes of a meeting of the Audit, Risk and Finance Committee
Held in the Council Chamber, Civic House, Trafalgar Street, Nelson
On Tuesday 19 March 2013, commencing at 9.02am

- Present: Councillors I Barker (Chairperson), G Collingwood and P Matheson
- In Attendance: Councillor R Reese, Chief Executive (C Hadley), Chief Financial Officer (N Harrison), Executive Manager Support Services (H Kettlewell), Management Accountant (A Bishop) and Administration Adviser (L Laird)
- Apologies: His Worship the Mayor Aldo Miccio, Councillor R Copeland and Mr Graeme Thomas

1. Apologies

Resolved

THAT apologies be received and accepted from His Worship the Mayor Aldo Miccio, Councillor Ruth Copeland and Mr Graeme Thomas.

Barker/Matheson

Carried

2. Interests

There were no updates to the Interests register and no conflicts of interest were noted.

3. Confirmation of Minutes – 26 February 2013

Document number 1463795, agenda pages 5-8 refer.

Resolved

THAT the minutes of the meeting of the Nelson City Council - Audit, Risk and Finance Committee, held on 26 February 2013, be confirmed as a true and correct record.

Matheson/Collingwood

Carried

4. Status Report – Audit, Risk and Finance Committee

Document number 1374515 v4, agenda page 9 refers.

Resolved

THAT the Status Report – Audit, Risk and Finance Committee (1374515 v4) be received.

Barker/Collingwood

Carried

5. Finance Report for the Period Ending 31 January 2013

Document number 1464090, agenda pages 10-26 refer.

Chief Financial Officer, Nikki Harrison, presented the report.

The Committee discussed the variance as noted in 4.1 of the report (1464090) and were advised this was largely due to the expenditure associated with the Cable Bay Road project, which had not yet commenced.

Attendance: Councillor Reese joined the meeting at 9.10am.

5.1 Transport (agenda pages 10-11 refer)

In response to a question, the Chief Executive advised that a report on public transport patronage would be presented to Council shortly.

5.2 Water (agenda pages 11-12 refer)

Councillor Reese questioned current water supply levels. The Committee then discussed this issue and agreed that the community was generally unaware of Nelson's current water supply levels.

5.3 Corporate (agenda pages 16-17 refer)

The Committee asked staff to report back on why access issues were causing the hold on the Maitai Forest harvest, and how much revenue was expected from this harvest.

5.4 Capital expenditure

The Committee discussed attachments 3 and 4 to the report. It was mentioned that most of the latest projections for the listed major projects were not within 5% of their budget.

The Committee expressed concern with these projections and agreed that there had been consistent under-performing with regards to completing projects within their specified budgets according to the Annual Plan.

The Chief Executive acknowledged the Committee's concern and recognised the issue. She said staff were reviewing capital expenditure projections in line with what could realistically be delivered and this will be further reported on.

Resolved

THAT the Finance Report for the Period Ending 31 January 2013 (1464090) be received and the variations noted.

Collingwood/Matheson

Carried

6. Review of Financial Reserves

Document number 1452691, agenda pages 27-32 refer.

Management Accountant, Andrew Bishop, joined the meeting and presented the report. He noted the historic nature of some of the reserves and the difficulties associated with obtaining background information.

The Committee discussed the importance of acknowledging bequests. In response to a question, Mr Bishop said bequests were now mostly managed through the Civic Trust.

Recommendation to Council

THAT the funds held in the following reserves or on behalf of the following trusts be transferred to the activity that they relate to as set out in document 1452534:

- ***New Book Reserve***
- ***City Library Donations Reserve***
- ***Children's Library Donations Reserve***
- ***Stoke Library Donations Reserve***
- ***Nightingale Donations Reserve***
- ***Marsden Valley Cemetery Maintenance Trust***
- ***Wakapuaka Cemetery Maintenance Trust***
- ***Cafe Asset/Civic House Reserve***
- ***Festival Reserve***
- ***Loan Repayment Reserve***
- ***Tahunanui Dunes Restoration***
- ***Aldinga Park Donation Fund***
- ***Maitai Valley Trust***
- ***Kain Bequest***

- **RB Jackson Bequest**
- **FM Knight Bequest**
- **Millar Bequest**
- **Good Driving Incentive Reserve**
- **Marsden Recreation Trust;**

AND THAT the Plunket Land Sale Fund be used to fund the new toilet development on the 1903 site;

AND THAT the balance of the Hamilton and Jean Rudman bequests be transferred to the City of Nelson Civic Trust on trust and the income to be used for beautifying the city;

AND THAT the Walker bequest be used to fund outdoor seating at the Stoke Community housing complexes with the balance being transferred to the Play Facilities activity;

AND THAT the Bartell Bequest and the Tui Endowment Trust be combined as the Nelson Institute Fund Reserve with the income to be transferred to the Library activity.

Collingwood/Matheson

Carried

There being no further business the meeting ended at 9.48am.

Confirmed as a correct record of proceedings:

_____ Chairperson _____ Date