



MINUTES OF AN OPOTIKI DISTRICT COUNCIL AUDIT AND RISK COMMITTEE MEETING HELD ON MONDAY, 13 MAY 2019 IN THE OPOTIKI DISTRICT COUNCIL CHAMBERS, 108 ST JOHN STREET, OPOTIKI AT 10.00 AM

PRESENT:

Councillor Arihia Tuoro (Chairperson)
Councillor Ken Young
David Love
Mayor John Forbes
Deputy Mayor Lyn Riesterer

IN ATTENDANCE:

Aileen Lawrie (Chief Executive Officer)
Ari Erickson (Engineering and Services Group Manager)
Michael Homan (Finance, Systems and Property Group Manager)
Billy Kingi (Chief Financial Officer)
Tina Gedson (Property Officer)
Astrid Hutchinson (Harbour Project Programme Planner)

APOLOGIES

Nil.

DECLARATION OF ANY INTERESTS IN RELATION TO OPEN MEETING AGENDA ITEMS

David Love noted that he is a Bay of Plenty Regional councillor and is also a member of the Regional Council's Audit and Risk Committee.

The Chairperson and Councillor Young declared an interest in any item in relation to the Opotiki Harbour Development Project.

ADDITIONAL AGENDA ITEM IN CONFIDENTIAL

A revised Resolution to Exclude the Public was tabled to include an extra item in confidential. The extra item was added due to urgency, having only come to staff's attention on Friday, 10 May, and also due

to constraints in terms of timing of the next Council meeting, for which a recommendation from the Audit and Risk Committee is sought.

RESOLVED

- (1) That the addition of an extra item called invitation to shareholder to the in-committee meeting agenda be accepted.**

Tuoro/Forbes

Carried

PUBLIC FORUM

Nil.

1. CONFIRMATION OF MINUTES – AUDIT AND RISK COMMITTEE MEETING 18 FEBRUARY 2019 **p5**

A correction was noted to item 3. financial report to 31 December 2018: "In response to a query from His Worship the Mayor, the Chief Financial Officer (CFO) stated adjustments could be made around timing of our valuations" (not to the valuations themselves).

RESOLVED

- (1) That the minutes of the Audit and Risk Committee meeting held on 18 February 2019 be confirmed as a true and correct record.**

Love/Young

Carried

2. ACTION SCHEDULE **p10**

David Love commented that the first time he looked at the Action Schedule at his first Audit and Risk Committee meeting, he was appalled at how many actions had not been done. He said this Action Schedule is the best he has seen, which indicates that something is being done and staff are getting their act together. He said this is recognised.

A number of items on the Action Schedule were discussed.

RESOLVED

- (1) That the Action Schedule be received.**

Tuoro/Young

Carried

The Engineering and Services Group Manager joined the meeting at 10.07am.

3. FINANCIAL REPORT TO 31 MARCH 2019

p12

In response to a question from David Love, the CFO said this is the second year that council has phased the budgets to seasonalise them.

The CEO said she expected that Building Control will be significantly overspent by the end of the financial year. She noted that IANZ has just completed its audit of Council. The cost of the audit was \$3,000, which was unanticipated.

In response to a question from Councillor Young, the CEO said the funding agreement for \$750,000 of Provincial Growth Fund funding was received on Friday.

In response to a question from David Love, the CEO said John Galbraith is preparing a report on the Ōpōtiki harbour project for the June Council meeting.

The CFO said that ODC has rolled over one of its debt loans and opened up a \$400,000 overdraft facility for use if needed. This provides comfort in terms of cash flow management as the council's deposits do not necessarily mature at the same time payments are due.

In response to a question from Councillor Tuoro, the CFO said BOPLASS is considering reviewing and/or tendering bank services to BOPLASS councils later this calendar year.

David Love said the total of \$5.5 million for projects to be deferred seems quite a lot in terms of the expenditure of council. His Worship the Mayor noted this reflected the balance between the ambition of the elected members and ability of organisation, which was never in full alignment.

The Engineering and Services Group Manager said his group is working on a lot of projects but it is difficult without an Asset Manager.

The CFO noted that a number of projects are dependent on external cofounding. If it is not received, the project cannot go ahead. The CEO said that the end result is that project defers and sits on council's books. Councillor Tuoro said that Councillors are never comfortable with projects being deferred but accept the reasons and rationalisations for it.

David Love said his overall perception is that the Council is in better position now than it has been in past.

RESOLVED

- (1) That the report titled "Financial Report to 31 March 2019" be received.**

Young/Forbes

Carried

4. KOHA REPORT

p27

Councillor Tuoro noted the Audit and Risk Committee's request that attendee numbers be added to the koha report dated 2 May 2019 and that future koha reports should include attendee numbers. Council staff should check attendee numbers with relevant councillors.

In response to a question from David Love, His Worship the Mayor said that Bill Maxwell was a well-known kaumatua from one of the local iwi.

RESOLVED

- (1) That the report titled "Koha Report" be received.**
(2) That the Koha Report be amended to note that there were about 400 attendees at the dawn parade in Waiaua, more than 300 attendees at Bill Maxwell's birthday celebrations, and more than 800 attendees at Don Riesterer's tangi.

Forbes/Young

Carried

5. RESOLUTION TO EXCLUDE THE PUBLIC

p29

A replacement Resolution to Exclude the Public was tabled.

THAT the public be excluded from the following parts of the proceedings of this meeting, namely:

- 6. Confirmation of In-Committee Minutes – Audit and Risk Committee Meeting 18 February 2019.**
7. Security.
8. Statute Barred Rates Write-Offs.
9. Property update
10. Access Issues.

Extra item – Invitation to Shareholders

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:

Item No	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
6.	Confirmation of In-Committee Minutes – Audit and Risk Committee Meeting 18 February 2019	That 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 exists.	Section 48(1)(a)
7.	Security	That 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 exists.	Section 48(1)(a)
8.	Statute Barred Rates Write-Offs	That 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 exists.	Section 48(1)(a)
9.	Property Update	That 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 exists.	Section 48(1)(a)
10.	Access Issues	That 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 exists.	Section 48(1)(a)
Extra Item	Invitation to Shareholders	That 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 exists.	Section 48(1)(a)

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 or section 6 or section 7 or section 9 of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

6.	Maintain effective conduct of public affairs Protect information Protect the privacy of natural persons Protection from improper pressure or harassment Carry out negotiations Prevent the disclosure of official information Carry out commercial activities	Section 7(2)(f)(i) & (ii) Section 7(2)(b)(i) & (ii), (d) & (e) Section 7(2)(a) Section 7(2)(f)(ii) Section 7(2)(i) Section 7(2)(j) Section 7(2)(h)
7.	Protect information Protection from improper pressure or harassment	Section 7(2)(b)(i) Section 7(2)(f)(ii)
8.	Protect the privacy of natural persons	Section 7(2)(a)
9.	Protect the privacy of natural persons Carry out commercial activities Carry out negotiations	Section 7(2)(a) Section 7(2)(h) Section 7(2)(i)
10.	Protect the privacy of natural persons Maintain legal professional privilege Commercial sensitivity	Section 7(2)(a) Section 7(2)(g) Section 7(2)(b)(ii)
Extra Item	Protect the privacy of natural persons Commercial sensitivity	Section 7(2)(a) Section 7(2)(b)(ii)

Forbes/Young

Carried

RESOLVED

- (1) That the resolutions made while the public was excluded, except for the resolutions relating to Item 7 Security and Extra Item – Invitation to Shareholders, be confirmed in open meeting.**
- (2) That the public be readmitted to the meeting.**

Young/Love

Carried

RESOLVED

- (1) That the in-committee minutes of the Audit and Risk Committee meeting held on 18 February 2019 be confirmed as a true and correct record.**

Young/Tuoro

Carried

RESOLVED

- (1) That the report titled "Statute Bared Rates Write-Offs" be received.**
- (2) That pursuant to Section 65 of the Local Government Act 2002, Council remit Statute Barred rates for the 2018-2019 year totalling \$430,299.44 GST inclusive as set out in the schedule.**

Love/Forbes

Carried

RESOLVED

(1) That the report titled "Property Update" be received.

Forbes/Love

Carried

RESOLVED

(1) That the verbal report titled "Access Issues" be received.

Forbes/Young

Carried

THERE BEING NO FURTHER BUSINESS THE MEETING CLOSED AT 12.58PM.

**THE FOREGOING MINUTES ARE CERTIFIED AS BEING A
TRUE AND CORRECT RECORD AT A SUBSEQUENT
IN-COMMITTEE MEETING OF THE AUDIT AND RISK
COMMITTEE ON 9 SEPTEMBER 2019.**

**COUNCILLOR ARIHIA TUORO
CHAIRPERSON**