

EXTRAORDINARY MEETING

RODNEY DISTRICT COUNCIL

MINUTES: of an Extraordinary Meeting of the Rodney District Council which commenced at 9.08 a.m. in the Council Chamber, Centreway Road, Orewa on Tuesday, 27 October 2009.

PRESENT: Penny Webster, Mayor (Chairperson)
Crs Ross Craig
Pat Delich
Michael Goudie
Gaye Harding
John Kirikiri
Dave Parker QSM
Grahame Powell
June Turner

ALSO PRESENT: Stuart Bauld (Chair), Alan Curtis and Roy Tiffin, members of the Council's Audit Committee; Karen MacKenzie (Audit Director) and Catherine Trussler (Audit Manager) of Audit New Zealand's Auckland office.

IN ATTENDANCE: Rodger Kerr-Newell (Chief Executive)
Warren Maclennan (Assistant Chief Executive)
Kevin Ramsay (Director: Corporate Services)
Morna Macfarlane (Manager: Finance)
Michelle Sanderson (Project and Performance Coordinator)
Robyn Joynes (Strategy Support Officer)
Ellen Barrett (Democracy Services Manager)

735/10/09 APOLOGIES

AGENDA ITEM NO. 1

Powell/Parker

That the apologies for absence from Crs Taylor, G Walker, W Walker and Weld be received and sustained.

Carried

736/10/09 ADOPTION OF ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2009

FILE REF AB/14/5

AGENDA ITEM NO. 2

The Director: Corporate Services (Kevin Ramsay) introduced Karen MacKenzie (Audit Director) and Catherine Trussler (Audit Manager), representatives from the Auckland Office of Audit New Zealand, and Stuart Bauld (Chair), Alan Curtis and Roy Tiffin, members of the Council's Audit Committee.

27 October 2009

Stuart Bauld addressed the Committee, advising that the Audit Committee had met a number of times, concentrating during its last meeting on the Annual Report. He said that there had been a number of outstanding issues in previous years but that these and others highlighted this year had been resolved. He therefore considered the process to have been very satisfactory.

The Manager: Finance (Morna Macfarlane) provided an overview of the Annual Report, commenting in detail on aspects of the main financial statements shown on pages 143 – 144 and advising that the summary document would be distributed at the Council meeting on 5 November.

The discussion focussed on:

- income achieved of \$165m against a budget of \$168m, the shortfall resulting from revenue and user charges (mainly in building and resource consents), vested assets and cash contributions (which would increase in future as a result of the newly adopted development contributions' policy);
- shortfall in revenue offset by gain from the sale of 54 Hibiscus Coast Highway;
- expenditure of \$155m against a budget of \$148m, the result of being required to recognise potential costs of monitoring the seventeen closed landfill sites in the district;
- a surplus of \$10.6m;
- assets of \$1.6b, most of which were in the infrastructure area; and
- compliance with the Council's Treasury and Management Policies.

Karen MacKenzie addressed the meeting, advising councillors that the only outstanding item was the summary Annual Report, which would be reviewed before the opinion was issued within the statutory one month period. Ms MacKenzie said she had provided clearance on the main financial statements at the Audit Committee meeting on 20 October, noting that the meeting had been constructive and a valuable addition to the audit process. She advised that she intended to issue an unqualified opinion, which would be longer than usual as it would include information in relation to the future of Auckland's governance and the fact that the statements had been prepared on a dissolution basis as a result of the transition to the future Auckland Council. However, this had not resulted in any changes to the way in which the Council's assets, liabilities and results were measured. Ms MacKenzie concluded by advising that she would also be issuing an unqualified opinion on the report for Rodney Properties Limited, the Council's subsidiary company.

Councillors' questions on the Annual Report which followed related to:

- responsibility for the cost of monitoring landfills;
- financial instruments;
- variances in the budget related to other gains and losses;
- provisions for weather tightness liability issues;
- the recent rates review; and
- inclusion of a note in the report regarding dissolution of the Finance and Audit Committee.

Note: Councillors were advised that questions relating to specific projects and not relevant to adoption of the document itself could be forwarded to the Chief Executive for response or action as appropriate.

Webster/Kirikiri

That (subject to alterations relating to minor formatting and editing changes) the Annual Report prepared pursuant to Section 98 of the Local Government Act 2002 for the year ended 30 June 2009 be adopted and copies of it made available for public inspection on the Rodney District Council's website and at the Council's:

- **Orewa Office**
- **Warkworth Office**
- **Huapai Office**
- **Helensville Office**
- **Orewa Library**

- Whangaparaoa Library and Service Centre
- Helensville Library
- Kumeu Library
- Mahurangi East Library
- Warkworth Library
- Wellsford Library
- Point Wells Library
- Leigh Library.

Carried

The Mayor, Penny Webster, thanked the representatives present from the Audit Committee and Audit New Zealand, before commending the staff involved in preparation of the Annual Report for their efforts.

The meeting closed at 9.40 a.m.

CONFIRMED AS A TRUE AND CORRECT RECORD THIS 17TH DAY OF DECEMBER 2009

MAYOR

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DATE
