

AGENDA

Council Workshop

- Date: Wednesday, 24 July 2024
- Time: 9:00 am
- Location: Carterton Events Centre 50 Holloway St Carterton

Mayor R Mark Deputy Mayor S Cretney Cr D Williams Cr B Deller Cr R Cherry-Campbell Cr S Gallon Cr G Ayling Cr L Newman Cr S Laurence

Notice is hereby given that a Council Workshop of the Carterton District Council will be held in the Carterton Events Centre, 50 Holloway St, Carterton on:

Wednesday, 24 July 2024 at 9:00 am

Order Of Business

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1 KARAKIA TIMATANGA

Mai i te pae maunga, raro ki te tai

Mai i te awa tonga, raro ki te awa raki

Tēnei te hapori awhi ai e Taratahi.

Whano whano, haramai te toki

Haumi ē, hui ē, tāiki ē!

2 APOLOGIES

3 REPORTS



4.1 LONG TERM WORKSHOP

1. PURPOSE

THE PURPOSE OF THE WORKSHOP IS TO DISCUSS OPTIONS AND REVIEW THE ISSUES AROUND THE LTP THAT HAVE BEEN RAISED BY AUDIT NZ AND THE OFFICE OF THE AUDITOR GENERAL.

FILE NUMBER:	4103	70	
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ATTACHMENTS:	1.	LONG TERM WORKSHOP 24 JULY 2024 🕹	



- BACKGROUND
- ADOPTION DELAY
- AUDIT FINDINGS
- AUDIT RESPONSE
- LEGAL ADVICE
- FINANCIAL MODELLING SYSTEM
- COMMUNICATIONS AND ENGAGEMENT
- NEXT STEPS

AGENDA LTP WORKSHOP 24 JULY

ADOPTION DELAY

Impacting factors resulting in CDC not adopting by 30 June:

- Delays in receiving the Certified QV new valuations
- Delays in hearings and deliberations from Consultation
- Delays in interim LTP audit
- Delays and quality issues in the final LTP on-site audit work
- Three requests from Audit NZ to reschedule our Council meeting
- Findings from the audit review coming to light a week after planned
 Council meeting of 26th June
- Operational resourcing challenges to cover extended sicknesses, changes in critical project staff, and respond to the additional LTP workload required.

BACKGROUNE LTP WORKSHO

AUDIT QUERIES

The three initial queries from the audit review were:

- Are we depreciating renewed assets twice?
- Why are we building up of depreciation reserves?
- The Performance Framework gaps, clarification and alignment required?

There was also minor wording changes to the content of the LTP document.

AUDIT FINDINGS LTP WORKSHOP

OUR RESPONSE

DEPRECIATION EXPENSE

• Corrected the overcalculation on short life assets.

RESERVES

• Recalculated the depreciation and financial contributions reserves for planned capital.

FUNDING RENEWALS

• Five asset classes funding was incorrect in outer years, not first utilising reserves and continuing to fund using debt.

REVALUATIONS

• The assumptions and business rules were checked and validated.

AUDIT FINDINGS LTP WORKSHOP

OUR RESPONSE

SYSTEM MODELLING

 Magiq provided assistance with changes to the assumptions and business rules to ensure the model was working as expected.

PERFORMANCE FRAMEWORK & SIGNIFICANT ASSUMPTIONS

Including rateable properties assumptions.

REVISED OUR AUDIT PLAN WITH AUDIT NZ

• Audit Opinion now due 4 September.

DELAYED LTP ADOPTION CONSIDERATION

• LTP adoption considered on 18 September.

AUDIT FINDINGS LTP WORKSHOP

SIMPSON GRIERSON

- Operating under year 4 of the 2021-31 LTP until the refreshed LTP is adopted.
- Options regarding the setting of Rates for 2024/25
- How we can help manage the collection of GWRC rates for 2024/25.
- How we can help customers manage cash-flow while we work through questions audit raised (direct debits, direct credits etc).
- Any potential issues when considering changing from four rates instalments to three.
- Confirming (once the LTP is fully refreshed) that the changes made are not significant and the LTP can be considered by Council for adoption without further public consultation.

LEGAL ADVICE

LTP WORKSHOP

TO 31 JULY

• **CDC**: Financial changes investigated and made in model.

1-9 AUGUST

• CDC: LTP document updated for changes.

9 AUGUST

• **CDC:** LTP updated ready for Audit.

12-23 AUGUST

• AUDIT NZ: LTP document updated for changes.

26-27 AUGUST

• OAG: Review of LTP

28-30 AUGUST

• CDC/Audit NZ: Review feedback addressed.

2 SEPTEMBER

• AUDIT NZ: Audit Opinion signed and issued.

4 SEPTEMBER

• **CDC:** Final Audited LTP to Councillors for consideration [Papers due].

18 SEPTEMBER

• **COUNCIL:** LTP document updated for changes.

TIMELINE LTP WORKSHOP

OUR COMMUNCATIONS APPROACH

Whatever decisions are made regarding late rates, our Communications approach will be:

- Let people know about the late rates, what the impact on them could be, and what actions they can take to smooth the impact.
- Let people know we are available to help if needed.
- Encourage people to pay rates by Direct Debit.
- Reminders in later instalments, FAQs and key messages for customer services.

OUR...

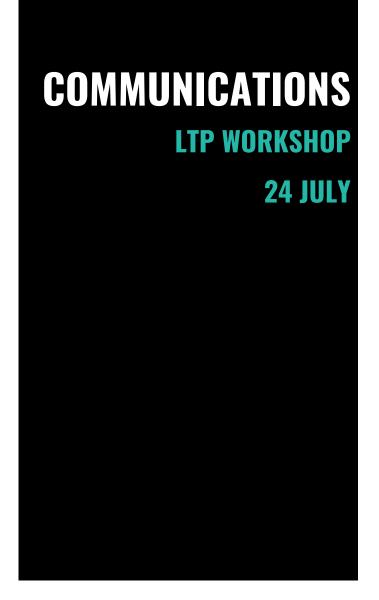
Rates | Finance | Customer Service | Communications Teams

WILL USE...

Social | Website | Print | Direct mail/email | Face to face | Phone

TO ENGAGE...

All ratepayers | Staff | Elected representatives



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REPORTS COMING TO 31 JULY MEETING FOR COUNCIL TO CONSIDER

- Adopt Fees and Charges 2024/25
- Delay Adoption of Long-Term Plan 2024-34
- Setting the 2024/25 Rates Late
- Capex Carry Forwards 2023/24 to 2024/25

NEXT STEPS

LTP WORKSHOP

5 KARAKIA WHAKAMUTUNGA