

Minutes of a meeting of the QLDC Smart Finance Committee held in the Council Chambers, 10 Gorge Road, Queenstown on Tuesday, 17 March 2026 commencing at 2.00pm

Present

Councillor Heath Copland (Chair), Councillor Samuel 'Q' Belk, Councillor Niki Gladding, Councillor Nicola King and Councillor Matt Wong

In Attendance

Katherine Harbrow (General Manager, Assurance, Finance & Risk), Paddy Cribb (Finance Director), Jeremy Payze (Senior Finance Business Partner), Vanessa Fauth (Financial Controller), Alison Kelly (Finance Business Partner Manager), Pamela Parker (Procurement Manager), Peter Edie (Senior Financial Accountant – online), Victoria Harper (Financial Services Manager), Miles O'Connor (Treasury Manager, Bancorp Treasury Services Ltd), Shane O'Hare (Chief Executive, Queenstown Airport Corporation – online), Andrew Williamson (Chief Financial Officer, Queenstown Airport Corporation), Jane Robertson (Senior Democracy Services Advisor); no members of the public and no members of the media

Apologies

There were no apologies.

Declarations of Conflicts of Interest

No declarations were made.

Public Forum

There were no public forum speakers.

Matters Lying on the Table

There were no matters lying on the table.

Confirmation of Agenda

It was moved (Councillor Copland, Councillor Wong):

That the Smart Finance Committee resolve that the agenda be confirmed with the following changes:

- a. **The addition of a further option for reallocation of the proceeds from the sale of 6 Merioneth Street, Arrowtown, noting that the request for a different calculation came after the agenda was prepared and it is appropriate to**



consider the information now because the issue is on this agenda; and

- b. With item 7 becoming item 3 and all subsequent items following in numerical order.

Motion carried unanimously.

1. Council Controlled Trading Organisation Monitoring (Queenstown Airport)

A covering report from Ros March (EA to GM Assurance, Finance & Risk) introduced a monitoring report of Queenstown Airport Corporation (QAC) and a QAC 2025/26 interim report. The report also recommended that in the absence of a QLDC Governance Subcommittee, requests to review QAC Directors' remuneration and any appointments/reappointments of directors for the next year be presented for consideration by Full Council.

Andrew Williamson presented the report, with Shane O'Hare joining online at approximately 2.10pm.

Mr Williamson described the airport's capital plan, noting that this represented an additional \$55 million of capital expenditure. He explained that shareholder approval was not required, because although reaching the threshold as a major transaction under the Companies Act 1993 in total, the individual components did not reach this limit and the schedule of works were such that one was not conditional on the other.

There was some discussion about the impacts on the supply of fuel as a result of the war in the Middle East and closure of the Strait of Hormuz to most shipping traffic. It was noted that whilst there may ultimately be an impact on passenger activity, it was unlikely to affect delivery of the airport's capital programme.

Members acknowledged QAC's recent payment of the interim dividend.

There was a question about the process to be used for the Council to review QAC Directors' remuneration and any appointments or reappointments of directors.

It was moved (Councillor Wong, Councillor King):

That the Smart Finance Committee resolve to:

1. **Note** the contents of this report;
2. **Note** that the Committee received the QAC interim report in accordance with the Statement of Expectation (SOE) and Statement of Intent (SOI); and



3. **Recommend to Council** that requests to review QAC Directors' remuneration and (if needed) the QAC Chair/Board (re)appointments for the next year be brought to Full Council.

Motion carried unanimously.

2. Treasury Update

A covering report from Paddy Cribb (Finance Director) introduced to the Smart Finance Committee the Treasury report which provided an update on current market conditions and the status of the Council's borrowing arrangements.

Paddy Cribb and Miles O'Connor (Bancorp Treasury Services Ltd) joined the table and spoke to the Bancorp report entitled 'Treasury Reporting Dashboard as at 27 February 2026.'

Mr O'Connor noted that, as was usual, the situation had altered since preparation of his written report but in this case his report had been completed only the day before the war in the Middle East had started on 28 February 2026. Interest rates had risen very sharply, with many investors preferring the safety of the bond market instead of equities. But, in the meantime, the Reserve Bank of New Zealand remained focused on controlling inflation.

It was noted that the Treasury Management Policy would be reviewed in line with the new Long Term Plan, and there would be value in the Committee workshopping this topic.

It was moved (Councillor Wong, Councillor Belk):

That the Smart Finance Committee resolve to:

1. **Note** the contents of this report.

Motion carried unanimously.

3. Local Government Funding Agency (LGFA) 30 June 2025 Annual Report and the LGFA 31 December 2025 Quarterly Report

A report from Paddy Cribb (Finance Director) introduced the Local Government Funding Agency (LGFA) 30 June 2025 Annual Report and the LGFA 31 December 2025 Quarterly Shareholders report, both of which were appended as attachments. The report also provided a summary report showing Council and CCO compliance with LGFA financial covenants for all borrowers as at 30 June 2025.

Paddy Cribb presented the report. The LGFA was local government's main means of raising debt and this report was the first time this information had been shared with elected members. The Chair thanked officers for providing this information.



It was moved (Councillor Copland, Councillor Gladding):

That the Smart Finance Committee resolve to:

1. **Note** the contents of this report.

Motion carried unanimously.

4. Annual Procurement Plan

A report from Pamela Parker (Procurement Manager) introduced the Annual Procurement Plan for the financial year ending 30 June 2026, the detail of which was appended as an attachment. The aim of the plan was to provide potential suppliers with information about upcoming Council procurements and a view of future pipelines of work.

Pamela Parker presented the report. This report contained information that was already largely public, but this was because the report was from late in the financial year. Work had already started on preparing the 2026/2027 plan and the next report was due in the June 2026 meeting.

Elected members suggested that it would be helpful to make the descriptions in procurement plan easier to understand.

It was moved (Councillor Gladding, Councillor Wong):

That the Smart Finance Committee resolve to:

1. **Note** the contents of this report.

Motion carried unanimously.

5. January 2026 Year to Date (YTD) Financial Overview

A report from Paddy Cribb (Finance Director) presented the 2025/26 January Year to Date (YTD) Actual to Budget financial results, capital expenditure financial results, January Debtors' Analysis and Statement of Financial Position. The report also highlighted any significant transactions and/or variances to budget.

Paddy Cribb, Jeremy Payze and Alison Kelly and Peter Edie (online) presented the report. Officers noted that the team put a lot of effort into forecasting and it was anticipated that by the end of the financial year, it was likely that capex would be under budget.

It was moved (Councillor Copland, Councillor Belk):

That the Smart Finance Committee resolved to:



1. **Note** the contents of this report.

Motion carried unanimously.

6. **Investment Update**

A report from Paddy Cribb (Finance Director) provided an overview of Queenstown Lakes District Council's (QLDC's) current Balance Sheet Reserves Funds held for a specific purposes, recommended reserve treatments and next steps for future reporting on QLDC investments. The report also assessed reallocation of the sale proceeds of 6 Merioneth Street, Arrowtown and presented information about use of the Queenstown Carpark Reserve and Queenstown Asset Sale Reserve and proposed a review of the accounting treatment of the Lakes Leisure Fund of \$3.3M.

Paddy Cribb presented the report.

The Chair advised that he would deal with the proceeds of 6 Merioneth Street in a separate resolution.

Mr Cribb explained the purpose of the Queenstown Carpark Reserve, noting that the funds had to be spent on new parking developments but were held in reserve to minimise the need for rates funding. Members observed the high balances of the reserve funds for Development Contributions and for depreciation; officers confirmed that if necessary, these balances could be used to offset rates.

It was moved (Councillor Copland, Councillor Gladding):

That the Smart Finance Committee resolve to:

1. **Note** the contents of this report including the Capital Reserves held for a specific purpose balances;
2. **Recommend** that Council officers review further applications of use for the Queenstown Carpark reserve (\$1.1M), Queenstown Asset Sale Reserve (\$0.2M) with this potential use to be part of the 2027 – 2037 Long Term Plan process;
3. **Recommend** that Council officers review the appropriate accounting treatment for the Lakes Leisure fund of \$3.3M.

Motion carried unanimously.



Proceeds from 6 Merioneth Street, Arrowtown

Councillor Copland advised that four different Arrowtown funds had contributed to the purchase of 6 Merioneth Street, and together they had contributed 29.25% of the purchase price, which to his mind, meant that an equivalent portion of the proceeds from the sale should be redistributed back to Arrowtown. His calculation was that the actual sum was \$600,797.

It was moved (Councillor Copland, Councillor Belk):

That the Smart Finance Committee resolve to:

4. **Recommend to Council** that the sale proceeds of 6 Merioneth Street, Arrowtown be allocated to the Arrowtown Endowment Land Reserve (\$600,797), in line with the share of the original purchase price, and to repay general debt (\$1,453,211).

Motion carried unanimously.

7. QLDC Debtors Update

A report from Paddy Cribb (Finance Director) provided an overview of the Council's debtor management process.

Victoria Harper (Financial Services Manager) presented the report. She noted that debtor management had been a focus for two years and debtor debt was now trending down.

There were rates remission and rates rebates policies but the conditions meant that what was deemed 'hardship' was very closely defined. These policies had been extended to gold card holders in the last financial year but sports and community groups were generally the recipients of this support. The Local Government (Rating) Act 2002 also identified those parties who were exempt from being rated.

Members observed that it was a very positive sign that the Council's debt management processes were improving.

It was moved (Councillor Wong, Councillor King):

That the Smart Finance Committee resolve to:

1. **Note** the contents of this report.

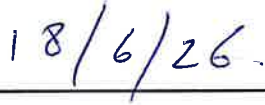
Motion carried unanimously.



The meeting concluded at 3.56pm.



CHAIR



DATE