

MINUTES



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MEMBERSHIP: Councillor Craig Bauld (Chair). Nona Aston, Bill Burdett, Roger Haisman, Allan Hall, Gary Hope, Pat Seymour, Brian Wilson and Graeme Thomson.

MINUTES of the FINANCE & MONITORING Committee

Held in the Committee Room, Administrative Centre, 15 Fitzherbert Street on Thursday 10 September 2009 at 9am.

PRESENT:

Councillors Craig Bauld (Chair), Nona Aston, Bill Burdett, Roger Haisman, Allan Hall, Gary Hope, Pat Seymour and Brian Wilson

IN ATTENDANCE:

Corporate Affairs Manager Douglas Birt, Manager Community Planning and Development Nedine Thatcher, Chief Financial Officer Mike Drummond and Committee Secretary Eileen Marshall

APOLOGY:

Cr Graeme Thomson

1. Apology

MOVED by Cr Hope, seconded Cr Seymour
That the apology from Cr Thomson be sustained.

CARRIED

Draft Annual Accounts – Tauwhareparae Farms Ltd

Cr Haisman asked why this report number 09/440 which is the last item on the agenda was a matter for Public Excluded.

Corporate Affairs Manager Douglas Birt said we cannot report to the public what the farms have in their report as it is still only a draft.

2. Public forum, petitions, deputations and representation from tangata whenua

There were no attendees.

3. Confirmation of Minutes

Finance and Monitoring Committee – 13 August 2009

MOVED by Cr Hope, seconded Cr Burdett
That the minutes of 13 August 2009 be accepted.

CARRIED

Action Sheet

- (i) *Transfer Station* - Cr Haisman requested that the Transfer Station be added to the action sheet.

4. Matters arising

- (i) *Facilities and Plant Management Carryovers* – Cr Seymour asked if this was funded by 100% asset sales.

Corporate Affairs Manager Douglas Birt advised that it was funded from capital assets sales and we do have a reserve to cover the cost.

5. Notification of late items, questions and general business

Nil

6. Mayor's and Councillors' reports

Nil

7. Staff Reports

For decision

7.1 09/445 – Policy on Remission of Rates in Exceptional Circumstances: Pt Mangaharei A3B Tauwharetaha: Valuation No 07830 280 00

A discussion was held as to why these reports should come to the Committee as they could be delegated to the Corporate Affairs Manager. After some discussion between committee members it was decided that these reports should be submitted to the committee in a brief report form.

MOVED by Cr Bauld, seconded Cr Hope

That the Committee

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| <ol style="list-style-type: none">1. receives the report2. remits all rates on Valuation No 07830 280 00 indefinitely |
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CARRIED

7.2 09/429 – Options for Distribution of Annual Report Summary

Community Planning & Development Manager Nedine Thatcher advised the committee that a presentation would be made at the council meeting on 24 September 2009.

Methods of distribution to the public / ratepayers was discussed at some length.

MOVED by Cr Haisman, seconded Cr Seymour

That the Committee

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| <ol style="list-style-type: none">1. receives the report |
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Recommends that Council

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| <ol style="list-style-type: none">2. supports the use of method 4 for distribution of the Summary Annual Report. |
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CARRIED

For noting

7.3 09/424 – 2008/09 Vesting Assets

MOVED by Cr Hope, seconded Cr Aston

That the Committee

1. receives the report.

CARRIED

7.4 09/437 – 5% Efficiency Gains : Status for July 2009

MOVED by Cr Seymour, seconded Cr Hope

That the Committee

1. receives the report.

CARRIED

7.5 09/442 – July Treasury Report

A replacement sheet for page 28 was handed out.

Cr Haisman asked how long are we locked into current interest rates.

Chief Financial Officer Mike Drummond advised that interest rates were locked in for a further three to four years. Swaps are in place. Borrowing is down but interest costs have not come down to the same extent as borrowing. We use the bank borrowing rather than bonds.

Cr Wilson said 7% is as good as interest rates get.

Cr Seymour asked for a pie graph to be drawn up showing a breakdown of interest and the Chief Financial Accountant Mike Drummond undertook to have a pie graph prepared for the next meeting of Finance & Monitoring.

Cr Hope enquired as to public debt. Internal loans are down at \$44m.

Cr Haisman said that the wastewater levy is being utilised by other departments.

MOVED by Cr Wilson, seconded Cr Bauld

That the Committee

1. receives the report.

CARRIED

The meeting adjourned for morning tea at 10.10am and reconvened at 10.25am.

7.6 09/446 – 2008 Depreciation Reserve Split

During 2008 the single depreciation reserve was split into fourteen individual reserves. As a result of this split it was determined that a number of activities had negative balances in their depreciation reserves. These balances were cleared by creating internal loans for each activity. This report provided details of the depreciation reserve split.

Cr Seymour said that the holding company loan was put in place to fund the investment in the Port not the farms.

MOVED by Cr Seymour, seconded Cr Hope

That the Committee

1. receives the report.

CARRIED

8. Late Items

There were no late items.

9. Questions

There were no written questions.

10. General Business

There were no items of general business.

11. Public Excluded Business

Mr Clare Radomske said that the public should not be excluded from the following item on the agenda and a vote should be taken as to whether the public should be excluded or not.

Cr Bauld said that the information is not the committee's to release. The information should only be released by the Farms and this is a matter of courtesy.

**RESOLUTION TO EXCLUDE THE PUBLIC
SECTION 48, LOCAL GOVERNMENT OFFICIAL INFORMATION AND
MEETINGS ACT 1987**

MOVED by Cr Bauld, seconded by Cr Hope

THAT

(1) The public be excluded from the following part of the proceedings of this meeting, namely

Item 11.1 – 09/440 Draft Annual Accounts – Tauwhareparae Farms Ltd

(2) 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:-

<u>ITEM No</u>	<u>MINUTES/ REPORT OF:</u>	<u>GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED</u>	<u>REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER</u>	<u>GROUND UNDER SECTION 48(1) FOR THE PASSING OF THIS RESOLUTION</u>
11.1	Chief Financial Officer	Draft Annual Accounts – Tauwhareparae Farms Ltd	Section 7(2)(i)	48(1)(a)

(3) 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 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:-

Item 11.1:

Section 7(2)(i): To enable the local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.

CARRIED

There being no further business the meeting concluded at 10.45 am.

Craig Bauld
Chairperson