

**FINANCE AND POLICY COMMITTEE MEETING HELD  
FOLLOWING THE ENVIRONMENTAL SERVICES COMMITTEE  
MEETING ON WEDNESDAY 19 OCTOBER 2005 IN MEMORIAL  
HALL SUPPER ROOM, ESPLANADE, KAIKOURA.**

***AGENDA***

*1. Apologies*

*2. Matters of Importance to be raised as Urgent Business*

*3. Matters arising from Report of 21/09/2005* *page 93*

*4. Minutes Action and Issues List Update*

<b>MEETING</b>	<b>ACTION REQUIRED</b>	<b>BY</b>	<b>DATE ACTIONED</b>
	<i>20 JULY 2005</i>		
Finance	Report and recommendation on future use of 20 Beach Road	Stuart	In Progress

*5. Reports:*

- ◆ *Finance Report* *page 45*
- ◆ *Statement of Financial Position*
- ◆ *Statement of Financial Performance*
- ◆ *Corporate Services Budget Report* *page 55*
- ◆ *Investment Quarterly Report* *page 58*
- ◆ *Liability Management Compliance* *page 62*
- ◆ *Special Funds & Special Reserves Report* *page 65*
- ◆ *Traffic Quarterly Report* *page 66*
- ◆ *Library Report* *page 67*

*6. Quotable Value Report* *page 69*

*7. Rates Postponement Policy* *page 70*

*8. Urgent Business*

*9. Public Excluded Session*

*Moved, seconded that the public be excluded from the following parts of the proceedings of this meeting, namely*

*a. Application for Rates Postponement*

*The general subject 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) and 7(2)(i) of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:*

<b>General subject of each to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Grounds of the Act under which this resolution is made</b>
Application for Rates Postponement.	The exclusion of the public from the whole or the relevant part of the proceedings of the meeting is necessary to enable the Local Authority to deliberate in private on its decision or recommendation.	<b>Section 48(1)(a) and 7(2)(b)</b>

## 5. FINANCE REPORT

### *Statement of Financial Position*

The first instalment of rates fell due in September, and Council staff have been working diligently to recover almost all overdue rates, and bad debts. These overdue balances are now at their lowest level for many years, and although not separately itemised in the Rates Receivable total, the rates outstanding was only \$63,000 at the time of writing this report (the balance of \$3.3 million refers to the rates to be collected over the next three instalments).

### *Statement of Financial Performance*

There has been a surplus for the period of \$313,457, nearly \$77,000 more than budget for the year to date. The main reasons for variances in income were:

<u>Activity</u>	<u>Variance</u>	<u>Main Reason</u>
Community Safety	Up \$19,488	Strengthening Families funding (no budget)
Roading	Up \$15,015	Development Contributions (no budget), and cost recoveries for streetlights & street cleaning on SH1
Water & Wastewater	Down \$142,719	Sewerage Development Contributions less than budget (likely to be a timing issue)
Community Facilities	Up \$100,949	Development Contributions (no budget), plus donations from Hall Committee for upgrade

The main reasons for variances in expenditure were:

<u>Activity</u>	<u>Variance</u>	<u>Main Reason</u>
Sustainable Development	Under \$17,769	Tourism and Development yet to employ a coordinator, also grant funding yet to be paid to the museum
Development Control	Over \$15,963	Legal advice for consents (not recoverable), and costs to be recovered
Roading	Under \$14,114	Timing of maintenance expenditure
Water Services	Under \$17,242	Timing of maintenance expenditure
Facilities	Under \$27,394	Savings in loan interest (North Wharf yet to be replaced) and general savings in library expenditure

### *Statement of Cashflows*

Cash has increased \$56,303 for the year to date. Rates revenue has been largely responsible for the turnaround in cash flows from operations, which had been negative in last months report.

### *Cash Flow Projection*

Cash movements through September have kept cash at close to projected levels.

### ***Capital Expenditure***

Council staff have installed new rubbish bins in the West End, sets of recycling bins have also been purchased and are currently being installed both in the West End and in various areas around the town. The carpark opposite the Sonic Café has been resealed and marked out.

The Oxidation pump station telemetry system has been installed, and the northern overflow bed has been decommissioned and filled with clean sand.

Book purchases, planting & pruning, a hand rail for the Supper Room, and a voice transcriber were the operational asset purchases during September.

### ***Working Capital & Liquidity***

Working capital is at almost exactly the same level as the same time last year. Liquidity is also very high at 2.53:1.

### ***Income & Expenditure Pie Charts***

The income chart indicates that 54% of our operating revenue to date is from rates (general rates, targeted rates and targeted uniform charges).

**STATEMENT OF FINANCIAL POSITION**  
AS AT 30 SEPTEMBER 2005

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30/09/05

30/09/05

30/09/04