

**REPORT OF THE FINANCE AND POLICY
COMMITTEE MEETING HELD AT 11.56AM ON
THURSDAY 20 APRIL 2006 IN MEMORIAL HALL
SUPPER ROOM, ESPLANADE, KAIKOURA.**

PRESENT: Councillor J Macphail (Chair), Mayor K Heays, Councillors M Pablecheque, J Diver, B Seddon, B Woods, S Thomas, M McChesney

IN ATTENDANCE: S Grant (Chief Executive Officer), L Copping (Executive Officer), S Poulsen (Finance Officer).

1. MATTERS TO BE RAISED AS URGENT BUSINESS

1. Tourism Subsidy Grant *(Councillor Seddon)*

2. FINANCE REPORTS

The Chief Executive Officer presented the report advising there was quite a bit of activity occurring especially around capital expenditure. He advised while cashflows were reported as down they were still in a fairly healthy position however there was a lot of money going out because of capital expenditure. He noted the bulk of Council's money was presently coming from sources other than rates.

Moved by Councillor Pablecheque, seconded by Councillor Seddon and resolved that the Finance Report, Statement of Financial Position, Statement of Financial Performance, Corporate Services Budget Report and Library Report be received.

3. QUARTERLY REPORTS

Included in the agenda were quarterly reports to 31 March 2006.

Moved by Councillor Woods, seconded by Councillor McChesney and resolved that the Liability Management Policy, Investment Quarterly Report, Traffic Control Quarterly Report and Summary of Special Reserves Reports be received.

4. URGENT BUSINESS

Councillor Seddon asked for a brief report on where the funds would be spent following Council obtaining a Tourism Subsidy Grant of \$1.8million towards sewerage infrastructure.

The Chief Executive Officer advised the subsidy scheme was initially announced some two years ago and he had put together and placed an application in December 2005. Council had been unsuccessful in its application for a \$1.4million grant for water however it had just been advised it was successful with its sewerage application and would be

receiving \$1.85million including GST. He advised Council had not budgeted to receive the money in it's Long Term Council Community Plan because it was an unknown however the funds had since been slotted in and would reduce the amount of anticipated loans. The funds would go towards projects already identified and approved such as:

- Oxidation Ponds
- Inlet Screens
- New Pumpstations
- New Trunkmains
- New Proposed Line up Rorrisons & Ludstone Roads
- New Line between Mill Road and Oxidation Ponds.

The Chief Executive Officer advised the funds were unable to be used toward the likes of desludging of the oxidation ponds as this was classed as ongoing maintenance.

The Chief Executive Officer advised the grant was a real bonus and meant Council could now go ahead with some certainly rather than relying on borrowings and anticipating on development contributions coming in over that time.

Councillor Seddon advised the public needed to be advised where the funds would be spent.

The Chief Executive Officer advised Council would now need to go back and see if the funding would have any impact on the level of contributions Council was asking developers for.

Mayor Heays formally thanked the Chief Executive Officer and his team for putting together and placing the application.

Councillor Woods asked for a report on the upgrading of pensioner flats, and further asked when new flats would be erected if Council agreed. The Chief Executive Officer advised he would bring a report back to Council six monthly on where the money had been spent.

There being no further business the meeting closed at 12.14pm.