

REPORT OF THE FINANCE AND POLICY COMMITTEE MEETING HELD AT 11.21AM ON WEDNESDAY 20 APRIL 2011 IN MEMORIAL HALL SUPPER ROOM, ESPLANADE, KAIKOURA.

PRESENT: Councillor N Pablecheque (Chair), Mayor W Gray, Councillors S Burrows, J Diver, G Harmon, J Macphail, D Morgan.

IN ATTENDANCE: G Saidy (Acting Chief Executive Officer), S Syme (Executive Officer).

APOLOGIES: Councillor D Holmes

Moved by Councillor Macphail, seconded by Mayor Gray and resolved that apologies be accepted.

1. MATTERS ARISING FROM THE REPORT OF 16/3/2011

It was noted logging was still in progress and the price was still reasonable. Approximately \$700,000 had been received from logging sales which included \$80,000 from Marlborough Regional Forestry. Councillor Diver advised it was likely there would be another distribution of funds authorized by the Marlborough Regional Forestry Committee.

2. FINANCE REPORTS

Councillor Pablecheque advised there was a net surplus of \$832,349 and this was better than anticipated and was boosted by good income from forestry. Actual cash on hand was \$4,770,150. Councillor Macphail advised the Tourism and Development Committee had spent some money at their last meeting which included funding the feasibility study for the fit out of the new museum and information boards at Oaro and Nins Bins. The Acting Chief Executive Officer advised he believed the cost of information boards would be less than estimated because the estimate had been based on worst case scenario.

3. QUARTERLEY REPORTS

Councillor Pablecheque advised \$126,448 had been received in interest so far this financial year. He advised property yield was at -2.17% due to all of the money being borrowed for the purchase of the Pynes building and he felt the interest earned should be used to pay loan interest. He noted every \$40,000 spent was approximately 1% in rates.

Councillor Pablecheque advised currently in terms of the Liability Management Policy and Interest Rate Exposure Council was not in compliance with the 0-1 year term. He advised this was due to the Pynes Building loan currently fixed on short term.

Councillor Pablecheque advised \$62,000 had been received in development contributions in this financial year. He noted Council had

budgeted to receive no income from development contributions for this or the last financial year so anything received was a bonus. Councillor Diver advised because Council had been unable to prove that development contribution income would be received for the 2009-2012 section of the Long Term Council Community Plan Audit New Zealand had required the budget figure to be nil.

Councillor Macphail advised the success rate for collecting money from parking infringements was not good. 21 infringements had been issued with ten paid, six cancelled and five sent to court. Councillor Pablecheque noted parking revenue for the last five years had been very low. Councillor Diver advised part of the Harbour/Traffic Wardens job was to keep traffic moving and issue traffic infringements. It was a very small part of his job as he also looked after slipways and reserves.

The Asset Manager advised he had collected information for a review of the Pay and Display fees.

Moved by Councillor Burrows, seconded by Councillor Macphail and resolved that the Finance Report, Statement of Financial Position, Statement of Financial Performance, Corporate Services Budget Report, Library Report and quarterly reports be received.

There being no further business the meeting closed at 11.45am.