

REPORT OF THE FINANCE AND POLICY COMMITTEE MEETING HELD AT 10.58AM ON WEDNESDAY 18 MAY 2011 IN MEMORIAL HALL SUPPER ROOM, ESPLANADE, KAIKOURA.

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

IN ATTENDANCE: S Grant (Chief Executive Officer), S Syme (Executive Officer), S Poulsen (Finance Manager), C Barker (Library Manager).

1. MINUTES ACTION LIST UPDATE

Use of Interest Earned to Offset Interest Expense

The Chief Executive Officer advised Council had to use funds as specified in Council Policies. It was noted all interest revenue was added to funds held in special funds and reserves as those were the funds which were earning the interest. The vast majority of Council's special funds were tagged for specific purposes. The Investment Policy did not anticipate that any investments would operate at a loss and so there was currently no provision for the recovery of losses from investments. It was also noted Council's Liability Management Policy stated in relation to debt repayment that 'Council would not use internal loans to pay external debt nor would it use special funds to repay debt unless the fund had been established specifically for that purpose'.

The Chief Executive Officer advised the Long Term Plan was due to be development next financial year and Council would need to debate on how they perceived funds would be used in the future.

Freedom Camping

The Chief Executive Officer advised government had prepared a draft Freedom Camping Bylaw which local authorities could put in place. Indication had previously been given that infringements would be against the driver of the vehicle but there had been new indication that this may have changed. The draft bylaw had been presented to the Tourism and Development Committee for consideration. It was noted since that time government had discussed legislation which would require Council to have a bylaw. The Chief Executive Officer advised the draft bylaw approved by government was not necessarily the one that Council had to adopt.

2. RURAL FIRE GARAGE / SHED AT THE TAR DEPOT

The Chief Executive Officer advised funding had been received for a new rural fire appliance. He noted the rural water tanker was currently located next to the fire station and was subject to the elements and was deteriorating. The Principal Rural Fire Officer had been able to apply for and had received a 50% subsidy for a new shed to be built.

The Chief Executive Officer advised the shed would be built at the Tar Depot and would be large enough to house the tanker and be used as an alternate operating centre for Civil Defence. He advised it was appropriate for Council to use forestry funds for rural fire equipment.

Moved by Councillor Harmon, seconded by Councillor Diver that Council approve \$35,000 from the forestry fund to be used to build a rural fire depot at the Tar Depot.

Councillor Macphail felt an opportunity may be missed by locating the depot at the Tar Depot rather than a more rural location. He noted there was currently no fire fighting facilities at the airport and Innovative Waste buildings could be changed for Civil Defence headquarters. Councillor Burrows felt erecting the depot at the Tar Depot was a good plan because the building would be elevated. Discussion was held regarding where on site the building would be located. The Chief Executive Officer advised the shed would likely be located where the old portacom had been due to the power and water being in the vicinity. He noted the building was a Total Span building which could be taken down and relocated. It was also noted the building needed to be completed this financial year.

The motion was put and carried.

2. FINANCE REPORTS

The Finance Manager advised Council had received another distribution from Marlborough Regional Forestry in April of \$69,000. She noted currently Council had a strong financial position. Councillor Harmon enquired regarding the saving in toilet cleaning and parks and reserves contracts and whether Council had been charged too much previously. It was noted the contracts had come up for tender the previous year and due to the economic situation tender prices were lower than five years prior.

The Chief Executive Officer advised Council would be changing computer software. This would be a huge change and would not be completed until the end of November.

Councillor Diver advised Council could receive another payout from Marlborough Regional Forestry before the end of the month and also another before the end of the financial year.

Library Report

The Library Manager advised Library door count for April was 4727 people. She noted rentals and fine revenue was done slightly while video revenue was up.

The Library had been broken into on two occasions during the month of April and East Coast Security would be providing a quote for basic security for the building.

The Chief Executive Officer advised with regard to the new Museum / Library building the architects had called for submissions from sub-consultations. The Kaikoura Historical Society was ready to proceed with fit out and they had met with a funding advisor. He advised at this stage sub-consultants were being identified. Detailed design and working drawings would be completed with the project then in a position to be put for tender.

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

There being no further business the meeting closed at 11.27am.