

# **REPORT OF THE FINANCE & POLICY MEETING HELD AT 10.45AM ON WEDNESDAY 19 MARCH 2014 AT MEMORIAL HALL SUPPER ROOM, ESPLANADE, KAIKOURA.**

**PRESENT:** Councillor J Howden (Chair) Mayor W Gray, Councillors T Blunt, J Diver, G Harmon, C Mackle, D Millton, D Morgan.

**IN ATTENDANCE:** S Grant (Chief Executive Officer), S Watts (Committee Secretary), S Poulsen (Finance Manager), A Limbdiwala (Assistant Accountant).

## **1. FINANCE REPORTS**

The sewerage subsidy of \$575,000 was received in February making cash balances up \$487,000. An operational surplus of \$1.2million had been maintained. Revenue types were tracking reasonably close to budget with the exception of development contributions. Personnel expenses were less than budgets as were financing expenses because the Civic Centre loan had not yet been required.

The Chief Executive Officer advised the Assistant Accountant had done more work on the "Other Expenses" report. The report would be continued if Councillors felt there was value in the report. Councillor Millton felt it was important to have the report. He enquired how the \$874,000 for contractors was being spent and felt it would be beneficial to have a breakdown. Councillor Blunt noted Councillors had been provided with a breakdown of the 3 main contracts.

***Moved by Councillor Howden, seconded by Councillor Diver and resolved that the Finance Reports be received.***

## **2. HOUSING FOR THE ELDERLY RENTAL REPORT**

Included in the agenda was a report regarding the current state of the pensioner housing fund and the projected cost of renewal expenses and also a provision for the full replacement of units once they were 100 years old. The financial forecast showed \$51,996 would need to be put aside per annum removing this cost left \$29,450 per annum for renewal spending e.g. roof painting, windows and doors replacement and carpet. The report contained the level of rental which would need to be put in place to meet the budgeted costs.

***Moved by Councillor Howden, seconded by Councillor Harmon and resolved that the rental for all new tenants be increased as set out below and that existing tenants receive a rental increase of approximately 10% per annum each year until the rents were the same for each type of unit.***

<i>Unit Type</i>	<i>Weekly Rental Amount</i>
<i>Single Units</i>	<i>\$105.00</i>
<i>Double Units</i>	<i>\$140.00</i>
<i>New Units</i>	<i>\$155.00</i>

*There being no further business the meeting closed at 11.05am.*