

**MINUTES OF THE EXTRAORDINARY MEETING OF THE
KAIKOURA DISTRICT COUNCIL HELD AT 10.02AM ON
WEDNESDAY 31 OCTOBER 2013 AT MEMORIAL HALL
SUPPER ROOM, ESPLANADE, KAIKOURA.**

PRESENT: Mayor W Gray, Councillors T Blunt, J Diver, G Harmon, J Howden, C Mackle, D Morgan.

IN ATTENDANCE: S Grant (Chief Executive Officer), S Poulsen (Finance Manager), A Limbdiwala (Assistant Accountant), B Kearney (Audit New Zealand), S Syme (Committee Secretary).

APOLOGIES: Councillor D Millton, Councillor T Blunt (lateness)
Moved by Mayor Gray, seconded by Councillor Harmon and resolved that apologies be accepted.

1. ADOPTION OF ANNUAL REPORT 2012/13

Councillor Blunt entered the meeting at 10.05am.

B Kearney advised if Council did not adopt the Annual Report by the statutory deadline of 31 October a disclosure would need to be included in the Annual Report regarding the breach of legislation. He advised Department of Internal Affairs could decide to assist Councils you did not meet the requirements of the legislation. He did not know what that assistance may look like but felt it would be best if Council did not find out.

The Chief Executive Officer provided an overview of his report and highlighted areas of particular interest in the financial section of the report. A discussion was held around the use of sinking funds for repayment of loans. It was noted sinking funds were not used in the new financial year and a facility similar to a revolving credit was in place. Councillor Harmon enquired regarding the term of loans he felt Council did not want to be paying a loan on something which was at the end of its economic life. The Chief Executive Officer advised Council normally paid loans off over a 20 year period however they were taken out in shorter term blocks to fit in with Councils borrowing policy.

The Chief Executive Officer's report contained projects which had been completed during the year. It was noted Council had achieved an "A" grading for the town water supply and a "b" for the majority of the rural schemes which was considered a fantastic achievement.

The landfill had achieved a 76% diversion rate and had also installed a glass handling and crushing plant. Councillor Blunt enquired regarding the life expectancy of the landfill. Councillor Diver advised the landfill had a life expectancy of another 10 years which could be increased to 20 with the diversion of some waste to the Blue Gums landfill in Marlborough. It was noted the waste transferred to Marlborough was not included in the diversion rate as it was still being taken to land fill.

Councillor Morgan enquired, with regard to activities, whether there was any way of being more efficient throughout the year so Council knew what the outcomes were going to be. It was noted some measures led to regular reporting whilst others did not. B Kearney suggested Council review the measures which were currently in place and what Council wanted to achieve in the future and how that might be measured. He further suggested Council look for a story which would make reporting more meaningful to the public.

B Kearney advised he had issued an unmodified audit opinion for the Annual Report. An audit of financial and activity information had been undertaken. He advised the audit standard had changed slightly and auditors were also required to state if the report provided an overall reasonable picture of performance and a reasonable understanding of what had been achieved thus providing more assurance to the community.

B Kearney encouraged the formation of a liaison type audit committee.

Moved by Mayor Gray, seconded by Councillor Diver and resolved that, pursuant to sections 98 and 99 of the Local Government Act 2002, Council adopt the Annual Report 2012/13.

There being no further business the meeting closed at 11.13am.