



REPORT OF THE ORDINARY MONTHLY MEETING OF THE FINANCE AND POLICY COMMITTEE HELD IN THE COUNCIL CHAMBERS, 29 CIVIC AVENUE, GORE ON TUESDAY 13 FEBRUARY 2007, AT 4:45 pm

PRESENT His Worship the Mayor (Mr Tracy Hicks JP), Cr Bolger (Chairperson) Crs Dore, Harvey, Hellier, McFadzien, McIntyre, McLennan, Ogg, Sutherland and Turnbull.

IN ATTENDANCE The Chief Executive (Mr Steve Parry), General Manager, District Assets (Mr Neil Jorgensen), Parks and Recreation Manager (Mr Ian Soper), Roothing Manager (Mr Murray Hasler), Asset Manager, Utilities (Mr Ross Haslemore), Corporate Support Officer (Mrs Jo Waddell) and three members of the public in the Gallery.

APOLOGY Cr Davis apologised for absence.

1. FINANCIAL REPORT FOR NOVEMBER 2006 (1.1.3)

A financial report for the five months ended 30 November 2006 had been circulated from the temporary Chief Financial Officer.

The Chief Executive said the key point for analysis was where the Council had recorded a deficit of \$355,000 at this time the previous year, it was now recording a positive variance of \$322,000.

Cr Bolger noted that the Transfund subsidy income was quite a lot less than the budget, and asked if it was because of work that had not occurred yet?

Cr Harvey was concerned about the recent letters to the press claiming that the Council's cashflow was in crisis and would appreciate a comment about it from the Chief Executive.

The Chief Executive said he had no idea what the letters were referring to as the Council was \$358,000 better off in cashflow than the previous year. He said one of the letters had mischievously or mistakenly quoted an Annual Plan estimate that was two years old. He added that the Council's debt had

improved by \$800,000 since the opening statement of the LTCCP.

Cr Bolger asked if the Council would meet its target.

The Chief Executive said he hoped the Council would achieve the budget set although the roading programme was a little behind schedule.

Cr Hellier questioned the revenue received from License fees and other revenue for November 2006.

The Chief Executive said he would need to research the year to date figures.

Cr McFadzien asked why the Transfund subsidy was still \$180,000 behind budget, should it not be decreasing as the work was carried out.

The Roading Manager replied the subsidy was for maintenance work and it was only claimed once the work was done. He added a number of large projects were still to be done like the reseal and traction seals and the subsidy would catch up very quickly once completed.

Cr McFadzien thought the figures did not add up and asked why the subsidy could be so far behind.

The Chief Executive said if the work was behind, the subsidy would also be and once the contracts were let it was out of the Roading Manager's control to complete the work and claim the subsidy.

Cr Dore asked if the work would normally be completed at this time of year.

The Manager said there had been a significant change in that the contractor now investigated the site, undertook road design and performed safety audits before embarking on the work and this was the reason for the delays.

Cr McIntyre thought reseals were identified well ahead of time.

The Manager said the streets or roads were identified more than a year previously but for each site an investigation was required not too far ahead of when it was to be resealed to determine the brew of the bitumen used.

RECOMMENDED on the motion of Cr Hellier, seconded by Cr Harvey, THAT the financial report for the five months ended 30 November 2006 be received.

2. FINANCIAL REPORT FOR DECEMBER 2006 (1.1.3)

A financial report for the six months ended 31 December 2006 had been circulated from the temporary Chief Financial Officer.

RECOMMENDED on the motion of Cr McLennan, seconded by Cr Hellier, THAT the financial report for the six months ended 31 December 2006 be received.

3. INDEPENDENT INQUIRY INTO LOCAL GOVERNMENT RATES (44.29)

A memo had been received from the Chief Executive, together with the first letter received from the independent panel appointed to inquire into local authority rates and a copy of the terms of reference.

Cr Bolger said the Council would have a chance to make submissions in due course. He thought it would be a significant driver for local authorities to ensure funding was provided for issues imposed by central Government.

In response to His Worship, the Chief Executive was unaware if the website had been set up at this time.

His Worship felt it was important to be involved as soon as it was up and running.

Cr Bolger said the Council was fortunate it had not been under the same scrutiny as the larger urban centres due to its modest projections. He felt it was necessary to be involved to ensure the Council could have its input to stop central Government introducing policies that cost the ratepayers.

RECOMMENDED on the motion of Cr Hellier, seconded by Cr McLennan, THAT the information be received.

The meeting concluded at 5:05 pm