



MINUTES OF AN EXTRAORDINARY MEETING OF THE GORE DISTRICT COUNCIL, HELD IN THE COUNCIL CHAMBERS, 29 CIVIC AVENUE, GORE ON TUESDAY 14 OCTOBER 2008, AT 4:10 pm.

PRESENT His Worship the Mayor, Cr Bolger (Chairman), Crs Davis, Dixey, Dixon, Gardyne, Grant, Harvey, Highsted, McLennan and Sharp.

IN ATTENDANCE The General Manager, Corporate Services (Mr Russell Duthie), General Manager, District Assets (Mr Paul Withers), Roading Manager (Mr Murray Hasler), Parks and Recreation Manager (Mr Ian Soper), Asset Manager, Utilities (Mr Ross Haslemore), HR/Administration Manager (Susan Jones) and one member of the public in the Gallery.

APOLOGIES Cr Heller and the Chief Executive (Mr Stephen Parry) apologised for absence.

1. ADOPTION OF 2007/08 ANNUAL REPORT (1.3.2)

A memo had been received from the General Manager, Corporate Services highlighting aspects of the 2007/08 annual report. A copy of the draft report had been circulated with the agenda.

The General Manager tabled a copy of the audit opinion which had not been available at the time the agenda had been prepared, together with a copy of page 19 following a request from the auditor for amendments to be made to it.

The General Manager felt the overall result was excellent and due to good work by the staff. The rating surplus of \$77,000 compared most favourably with the rates struck figure of \$9,377,000 which was a positive variance of 0.82%.

He explained the amendment to page 19 was a result of new accounting standards and regulations that were required to be included in the report.

His Worship concurred with the comments and said it was an excellent result. There had been a number of highlights as had been alluded to in the Mayoral and Chief Executive Foreword.

In response to Cr Dixon, the General Manager advised the Rayonier fund had been used in the past to shore up the Council's overdraft, but the fund had been applied to the Mataura Community Centre project.

Cr Davis commended the Parks and Recreation Manager for his perseverance with the soon to be built Main Street public toilets. It had been a long process and he had put a great deal of work into it.

Cr Gardyne was concerned at the audit fees of \$104,000. He said a company with a turnover of \$2 billion had audit fees of just twice the Council. He thought it was time to have the auditors justify their fees.

His Worship agreed and said it was an issue that Local Government New Zealand continually pursued. He agreed it was a lot of money and it needed to be pursued with vigour.

Cr Gardyne was disappointed that the individual cost centres had not been included for the various activities.

The General Manager advised the annual report had to be prepared in the same format as the annual plan had been. The Council was replicating the response part of the whole reporting mechanism.

Cr Dixey thought an annual report was a summary of what had gone on through the year.

His Worship said the monthly financial reports were more detailed and the Council did have to report in the same format as had been put out in the annual plan. If the Council wanted more detail, there was an opportunity to make that change at the time of the annual plan.

Cr Grant was not sure that the audit fee was not reflective of the lengths certain sectors of the community had driven the Council to.

His Worship was not sure that was the case, but understood the audit fee paid by the Council was in line with other Councils the size of Gore.

Cr Gardyne thought a member of the public should be able to go through the report and analyse the individual cost centres.

His Worship said that was exactly what the Council was doing. The time to make a change was at the start of the process which was the annual plan. He did not believe there was a need for more detail, but it was a choice the Council could make.

Cr Dixon believed there was thinking amongst Council staff that all money in the budget had to be spent otherwise the same level would not be provided again the following year.

Cr Bolger disagreed with Cr Dixon and his comments were not in line with his observations of Council Managers. The result was tremendous and Councils were coming under more and more financial pressure particularly with unfunded requirements from central Government. To be able to stay within budget for a small Council was excellent. He felt the Council punched above its weight and it would be interesting to make a comparison with other Councils at the time of the LTCCP review.

Cr Davis concurred and suggested that a discussion with either the General Manager or Chief Executive before Cr Dixon made such comments would have been well founded.

RESOLVED on the motion of Cr McLennan, seconded by Cr Bolger, THAT as the water activity is funded by a special targeted rate, the water activity surplus of \$64,000 be carried forward to off set rating requirements for the water activity in the 2009/10 and subsequent rating years,

AND THAT the annual report for the year ended 30 June 2008, as tabled, and including the amended page 19, be adopted.

2008/106

His Worship extended thanks to the staff who had implemented what had been set by the Council and returned an excellent result that they can be very pleased with.

The meeting concluded at 4:47 pm