



REPORT OF THE ORDINARY MONTHLY MEETING OF THE FINANCE AND POLICY COMMITTEE HELD IN THE COUNCIL CHAMBERS, 29 CIVIC AVENUE, GORE ON TUESDAY 10 FEBRUARY 2009, AT 6.00pm.

PRESENT His Worship the Mayor (Mr Tracy Hicks JP), Cr Bolger (Chairperson), Crs Davis, Dixey, Dixon, Gardyne, Grant, Harvey, Heller, Highsted, McLennan and Sharp.

IN ATTENDANCE The Chief Executive (Mr Steve Parry), General Manager, District Assets (Mr Paul Withers), General Manager, Corporate Services (Mr Russell Duthie), Parks and Recreation Manager (Mr Ian Soper), Roading Manager (Mr Murray Hasler), Asset Manager, Utilities (Mr Ross Haslemore), Building Control Manager, (Mr Russell Paterson) and Corporate Support Officer (Mrs Tracey Millan) and three members of the public in the gallery.

1. ELECTED MEMBERS' REMUNERATION (46.18.2)

A memo had been received from the Chief Executive advising that the Remuneration Authority had recently announced its total indicative pools and mayoral gross salary levels for the 2009/2010 financial year. A copy of the Authority's funding formulae and factors summary had also been circulated.

His Worship thought remuneration was always a difficult and awkward topic to discuss. However it was easier now than before the establishment of the Remuneration Authority. There had been comment that now was not the time or place to be taking an increase. He believed the Authority tended to lag 12 months behind what was happening with the economic environment, so what was happening now would no doubt be reflected at next year's review.

Cr Heller thought if Councillors did not accept an increase in remuneration the two percent increase could be set aside to pay some remuneration to a new Venture Southland representative in two years time, after the next election.



In response to His Worship, the Chief Executive thought that a portion of the pool could only be set aside in the confines of a financial year. If Cr Heller's concept appealed and if there was a change in representation, the idea could be revisited then. If there was a change mid-term, that could be a time to examine reapportionment to give a higher honorarium.

Cr Grant commended Cr Heller's idea but thought that after a couple of years, the cost for the Venture Southland representative would then become the ratepayers liability.

Cr Gardyne thought it inappropriate to accept an increase. And that the media had failed to report how serious the economic downturn was worldwide. He wanted Councillors to show some leadership by not accepting the increase and said they had a responsibility to ratepayers to decline an increase, if offered, next year as well.

Cr Gardyne recommended THAT the Council not accept the 2.02% remuneration increase.

The motion was seconded by Cr Dixey.

The recommendation was put and was lost.

The Chief Executive said that dependent on the ultimate resolution framed by the full Council in less than two weeks time; its decision would be reported back to the Remuneration Authority. The Authority Chairman had hinted that he might not change his mind, so the money could be dispensed regardless of Councillors decision.

His Worship said as a local government unit it had fought long and hard to work out a way to determine how wages and allowances were set and apportioned. He would be hesitant to wipe that aside and felt there was a need for an independent assessor. The times they lived in at the moment would be reflected next year.

His Worship endorsed comments made recently by the Prime Minister, that local authorities should be very mindful of the economy they were in and to treat change in Councillors' salaries very carefully. In money terms it was less than 50 cents per ratepayer. If Councillors were upset about the increase, they could give the money away. By rejecting the increase, they could add to the possible jeopardy that the Remuneration Authority could find itself in.

Cr Harvey agreed with His Worship and thought that the Councillors needed to protect future remuneration as well.

RECOMMENDED on the motion of Cr Bolger, seconded by Cr Highsted, THAT the Council approve a distribution of the new remuneration pool to elected members on the basis of a 2.02% increase to each elected member and notify the Remuneration Authority of the following new salaries for members with effect from 1 July 2009

Deputy Mayor	\$19,398
Chair	\$19,398
Councillor	\$10,698
Community Board Chair	\$2,989
Community Board Member	\$891

2. FINANCIAL REPORT FOR DECEMBER 2008

A financial report for the six months ended 31 December 2008 had been received from the Management Accountant and was perused by the meeting.

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

The meeting concluded at 6.18pm.