

REPORT OF THE ORDINARY MONTHLY MEETING OF THE FINANCE AND POLICY COMMITTEE HELD IN THE COUNCIL CHAMBERS, 29 CIVIC AVENUE, GORE ON TUESDAY 9 FEBRUARY 2010, AT 5.57PM.

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 Stephen Parry), General Manager, District Assets (Mr Paul Withers), General Manager, Corporate Services (Mr Russell Duthie), Parks and Recreation Manager (Mr Ian Soper), Rooding Manager (Mr Murray Hasler), Asset Manager, Utilities (Mr Ross Haslemore), Corporate Support Officer (Mrs Tracey Millan) and five members of the public in the gallery.

1. AUDIT COMMITTEE MEETING (1.2.6)

A memo had been received from the General Manager, Corporate Services advising the Council's Audit Committee had met to consider issues raised by the Council's auditors, Deloitte, together with notes of the meeting and a letter from Deloitte regarding the overall audit and its significant audit issues.

The General Manager said the auditor comments were very positive regarding the interaction with the Council and staff with the Annual Report process.

The Chief Executive said it was always comforting to get a clear opinion. Issues raised were noted. The item 3 issue had been resolved with the Chief Executive of Environment Southland and a press release had been issued during the previous week.

RECOMMENDED on the motion of Cr Dixey, seconded by Cr, Sharp, THAT the notes of the Audit Committee meeting, together with the letter from Deloitte commenting on the 2009 audit and significant issues identified, be received.

2. ELECTED MEMBER REMUNERATION (46.18.1)

A memo had been received from the Chief Executive together with a letter received from the Remuneration Authority advising that from 1 July 2010 to Election Day in October that year, remuneration of elected members would remain the same as what had been set for 2009/10.

RECOMMENDED on the motion of Cr Bolger, seconded by Cr Highsted, THAT the letter from the Remuneration Authority be received.

3. MLT EVENT CENTRE – UPDATE ON PROPOSED TRANSFER TO GORE DISTRICT COUNCIL (37.22.2)

The meeting perused a memo received from the Chief Executive that provided an update on the due diligence process that the Council had agreed to enter into before finalising its intention to assume ownership of the MLT Events Centre.

The Chief Executive said it was a work in progress, both in terms of due diligence and the Council was yet to receive a final financial report from Mr Boyle of O'Connor Richmond. Discussions had been held with Mr John Bannerman of Bannermans regarding legal issues if ownership was signed over to the Council. The memo was to keep Councillors informed.

He said Mr Barron had advised him that the well was dry in terms of funds available to pay the final outstanding invoice for additional inspections. Given the tortuous path the Council had been down, in terms of balance, it was now about closure and although there could be a concern about precedent setting, due to the uniqueness of the whole project, the Council could quarantine any precedent setting.

The Chief Executive said a good number of applications had been received for the supervisor's position. The applicants were being shortlisted.

Cr Heller said if the ownership went back to the form of a Trust, there would be no necessity for ratepayers to cash fund depreciation.

Cr Bolger said although not a legal responsibility, a building had a limited life and it would be sensible to make provision for depreciation.

Cr Gardyne asked with regard to stage 4, if the building was 100% owned by the Council, would that disqualify it from applying for funds from district funders?

The Chief Executive said the Trust was initially set up as a fundraising vehicle. If the Council went ahead with Stage 4, then a Trust would be far better able to secure external funding than the Council.

RECOMMENDED on the motion of Cr Davis, seconded by Cr Bolger, THAT the report be received

AND THAT the Council hold the matter in abeyance until all information was received.

4. FINANCIAL REPORT FOR DECEMBER 2009 (1.1.4)

A financial report for the six months ended 31 December 2009 had been received from the Management Accountant and was considered by the committee.

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

The meeting concluded at 6.10pm.