

FINANCE AND COMMUNITY SERVICES COMMITTEE

REPORT and MINUTES of a meeting of the **FINANCE AND COMMUNITY SERVICES COMMITTEE** held in the Council Chamber, 5 Baring Square West, Ashburton, on Thursday 23 October 2008, commencing at 1.30 pm.

PRESENT: Mayor M B O'Malley; Councillors K L Holmes (Chair), R C Beavan, J A Everest, R J Kilworth, J A Kingsbury, K W P Lowe and J A Sparks.

Also in attendance Councillors L J Leadley, I J Burgess, P W Reveley and B A Tasker; Manager Democracy & Community Services, Finance Manager, Corporate Services Manager, Administration & Records Manager, Customer Services Manager and Committee Secretary.

APOLOGY: Cr N A Brown

Sustained

Extraordinary Business

“That pursuant to Section 7(2)(A) of the Local Government Official Information and Meetings Act 1987 the following item be introduced as extraordinary business and considered with the public excluded as item 8.8:

- Ashburton Contracting Ltd AGM – Section 7(2)(h) Commercial activities

Sparks/Lowe

Carried

Confirmation of Minutes

“That the minutes of the Finance and Community Services Committee meeting held on 18 September 2008, be taken as read and confirmed.”

Sparks/Kilworth

Carried

Matters Arising

Parking Meters

It was reported that the replacement Duncan parking meters have been installed along East Street and work is continuing on relocating meters to side streets.

Corporate Services Activity Reports

“That the Corporate Services activity reports be received.”

Lowe/Beavan

Carried

Web Site

Reference was made to the Youth Council minutes of 14 October 2008, where ideas for updating the current link to Council's web site were discussed. This has been followed up with the Corporate Services Manager who advised that, because of security implications, the link is unable to be hosted on Council's web site. The proposal is being progressed by IT staff and protocols will be established.

The Corporate Services Manager reported that the number of people accessing the Council's web site has recently fallen below average; he agreed that consideration needs to be given to the way in which Council makes information available to the public through the web, advertising or publications. Mr Allen confirmed that web site would be updated with current information on the NE Business Park development.

District Diary – Have Your Say Survey

A survey undertaken of every household in the district resulted in only 116 responses. The Committee noted that the results represent only a small section of the community but agreed that the statements provided by respondents gave a valuable indication of what Council's focus should be.

It was also agreed that the low response has reinforced the need for Council to review the way in which it communicates with the community.

“That the report be received.”

Kilworth/Everest

Carried

The Records & Administration Manager and the Customer Services Manager left the meeting.
The Community Planning Manager attended the meeting at 2 pm.

Democracy & Community Services Activity Reports

“That the Democracy & Community Services activity reports be received.”

Beavan/Kingsbury

Carried

Festive Lighting

It was reported that Electricity Ashburton and the Ashburton Trust will each contribute \$3,000 to towards the cost of installation. While the Business Association has made no funding commitment, it was noted that they have contributed to the cost of upgrading the ‘angels’. Council's budget in the current year is \$12,000.

Top Town

Council has registered its interest in competing in the Top Town competitions later this year. It was reported that considerable interest has been shown from people in the community who want to participate. Further information is awaited.

Proposed 2009 Meeting Schedule

The Committee received two meeting schedule options for the six weekly cycles of Council and Standing Committee meetings. The schedules also included the budget and LTCCP workshops for 2009.

The Finance Manager acknowledged the Committee's concern that workshops have been programmed for mid January, however Mr Brake said that the timetable is not flexible and that the dates shown need to be committed to. He explained that there is an added requirement for the draft LTCCP to go to the Office of the Auditor General and in the period up until 27 February, budgets and financials will need to be completed and audited. Because of Councillors' concern, Mr Brake agreed to review the budget timetable before the recommendation is considered by Council.

The Committee supported the proposed schedule, including meetings in the school holidays, with minor alterations – the 21 January budget workshop was rescheduled to 22 January, and the 16 July Operations Committee meeting was rescheduled to 23 July. The LGNZ conference dates will be included along with Zone 5 and National Council dates, when they become available.

RECOMMENDATION TO COUNCIL

“That the proposed meeting 2009 meeting schedule, as amended by the Finance and Community Services Committee, be adopted.”

Kilworth/Sparks

Carried

Capital Works Loan 2008/ 2009

The Finance Manager tabled a breakdown of capital works loans in the current year.

Mr Brake reported that the usual method of raising debt is no longer available to councils and it is now proposed to use banks which are government guaranteed. He gave assurance that terms and conditions of loans will be reported back to Council before they are uplifted.

RECOMMENDATION TO COUNCIL

- “1. That the Finance Manager be authorised to borrow up to \$21,921,638 for the purpose of funding the capital works identified in the 2008/ 09 Annual Plan; the loans will be for a term not exceeding twenty five years on such terms and conditions consistent with Council’s Liability Management Policy, as may be negotiated by Finance Manager.
2. That Council has considered the risks and benefits to the local authority of the loan or incidental arrangement and the giving of security to be given in relation to the loan or incidental arrangement and Council believes the benefits of raising the loans outweigh the risks associated with the raising of the loan and the giving of security.
3. That the Finance Manager be delegated authority to negotiate and determine the amount, number and type of loan or facility, and the terms and conditions of the loan or loans, facility or facilities (and security), and to negotiate, agree enter into and execute any documentation which may be required, (including security documentation), and if required, to issue such debenture stock/bonds with a face value sufficient to yield up to the sum of \$21,921,638 and execute such; all arrangements entered into under this authority must be consistent with the Council’s Liability Management Policy.
4. That the loans may be external or internal loans depending on the interest market at the time of raising the loan.
5. That the terms and likely conditions of the loans will be reported to Council before being uplifted.”

Kilworth/Beavan

Carried

Scales Road Farmland Subdivision

RECOMMENDATION TO COUNCIL

“That part of Council owned farmland at Scales Road, with an area of 11.3116ha, be declared as a Scientific Reserve.”

Mayor/Beavan

Carried

Finance Activity Reports

“That the Finance activity reports be received.”

Sparks/Beavan

Carried

Financials

The Finance Manager advised that the financial reports have been delayed because of priority given to the Annual Plan report. They will be mailed to Councillors ahead within the next two weeks along with detailed variances.

Mr Brake said that no changes have been made to the Draft Annual Report which will be referred to Council for adoption next week.

The Finance Manager reported that the proposed rates for next year will be \$26.1m. He estimated that based on projects and loans that Council has committed to the likely rate increase is 11%, this is without inflation being included or any change to current levels of service.

A summary of this information will be included with the financial report circulation.

The Committee thanked Mr Brake and his staff for the work carried out on the Annual Report.

The Community Planning Manager left the meeting at 2.55 pm.

Elderly Persons Housing

The Finance Manager was requested to provide further information on the costs associated with the proposed upgrading and associated rental implications. This will also be circulated to Councillors along with the financial reports.

Airport

In addition to the preliminary assessment in respect of runway upgrades, it was reported that construction has commenced on an additional T-Hangar. The Committee also heard that the handing over of the DC3 aircraft to the Ashburton Aviation Museum is expected to take place at the end of November.

Hinds Fire Unit

The Property Manager reported that work on the provision of the toilet is underway and the water connection has been attended to.

Dolma Street

Work has commenced on the upgrade of the Dolma Street / Line Road recreational reserve.

Business transacted with the public excluded (3 pm)

“That the public be excluded from the following parts of the proceedings of this meeting:

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

Item no	General subject of each matter to be considered:	In accordance with Section 48(1) of the Act, the reason for passing this resolution in relation to each matter:	
8.1	Confirmation of Minutes – 18/09/08 • Stadium Complex Trust	Section 7(2)(i)	Conduct of negotiations
8.2	Property Matter	Section 7(2)(h)	Commercial activities
8.3	Property Matter	Section 7(2)(h)	Commercial activities
8.4	Property Matter	Section 7(2)(h)	Commercial activities

8.5	Property Matter	Section 7(2)(h)	Commercial activities
8.6	Property Matter	Section 7(2)(h)	Commercial activities
8.7	Ashburton CBD Action Group Meeting	Section 7(2)(g)	Free & frank expression of opinion
8.8	Extraordinary Business – Ashburton Contracting Ltd AGM	Section 7(2)(h)	Commercial activities

Kilworth/Everest

Carried

The Committee adjourned for afternoon tea at 3.00 pm and resumed at 3.15 pm.

Business transacted with the public excluded now in open meeting

Ashburton CBD Action Group

“That the minutes of the Ashburton CBD Action Group meeting of 13 October 2008, be received and become the business of open meeting.”

Sparks/Mayor

Carried

The meeting concluded at 4.51 pm.