

# MACKENZIE DISTRICT COUNCIL

## MINUTES OF A MEETING OF THE MACKENZIE DISTRICT COUNCIL HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 20 MARCH 2007 AT 9.00 AM

### **PRESENT:**

Cr Simon McDermott	(Chairman – Finance Committee)
John O’Neill	Mayor
Crs Dave Pullen	Pukaki Ward
Barry Stringer	Pukaki Ward
Evan Williams	Opuha Ward
Graeme Page	Opuha Ward

### **IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
 Jason Beck (Manager – Finance and Administration) for parts of the meeting  
 Craig Lyon (Manager – Planning and Regulations)  
 John McGartland (Solid Waste Manager) for part of the meeting  
 John O’Connor (Utilities Engineer) for part of the meeting  
 Mike Shears (Manager – Roading) for part of the meeting  
 Rosemary Moran (Committee Clerk)

### **I APOLOGY:**

Resolved that an apology be received from Cr Gallagher.

**The Mayor/G Page**

### **II BUDGETS FOR 2007/08:**

#### 1. OVERALL RATE REQUIREMENT FOR 2007/2008:

This report from the Manager – Finance and Administration was accompanied by the Overall Rate Requirement Summary, General Rate Requirement Summary, Fairlie Community Board Rate Requirement Summary, Twizel Community Board Rate Requirement Summary, Tekapo Community Board Rate Requirement Summary, Rural Rate Requirement Summary, Proposed Rate Strike and Effects on Indicator Properties..

Resolved that the report be received.

**B J D Stringer /G Page**

Cr Page requested that the draft budgets be circulated a fortnight before annual budget meetings in the future. The Mayor suggested provision of the draft budgets to the Committees before the Council’s budget would provide an opportunity for more detailed scrutiny.

The Manager – Finance and Administration noted the request.

The Chief Executive Officer advised of two policy issues which remained to be addressed, viz rating for the Mackenzie Community Centre/Strathconan Swimming Pool and the Mackenzie Tourism and Development Board.

Cr Pullen suggested that some of the so called 'cost centres' could be referred to as 'business centres' because they did not need to be rated for, eg the Mackenzie Tourism and Development Board, Forestry, Real Estate, Solid Waste and Inspectorate activities.

The Manager – Finance and Administration said when rates were set the calculations included consideration of the private/public good ratios enshrined in Council's policies. To recover 100% of the cost of inspectorate and resource management activities would require fees to be increased.

The Chairman said that while he did not necessarily disagree with Cr Pullen's views, the Council was acting in accordance with its policies.

The Manager – Finance and Administration noted that the Council had made a specific decision not to review the rating system. He said fees and charges could be amended but there was an over arching principle related to the public good derived from the Council working within the planning framework of the operative District Plan. He said the Council needed to be aware that a downturn in building activity in the District could have a significant negative effect on income if the Council relied solely on fees paid by users to fund the inspectorate activity.

The Manager – Finance and Administration highlighted the amendments made to their draft budgets by the community boards. He made the appropriate changes to the calculations in the document to reflect the amendments.

2. KEY VARIANCES:

This report was accompanied by the Key Variances between the Long Term Council Community Plan and Initial Budgets, and Labour Cost Budget Working Paper.

Resolved that the report be received.

**B J D Stringer/E Williams**

The Council discussed the Employee Salaries Working Paper.

The Manager – Finance and Administration noted that since 1 July 2000 \$175,000 had been expended on staff appointments, ie about \$25,000 per year.

The issue of allowances was highlighted. It as suggested that the telephone allowance could be superfluous given that cell phones were provided to the managers.

The issues of staff training and the new annual leave provisions in the Holidays Act 2003 were discussed. The Chief Executive Officer said he expected that the additional week's holiday would put pressure on an organisation already lightly resourced.

3. OVERHEAD BUDGETS FOR 2007/2008:

The cost of Printing and Stationery and the possibility of reducing that cost by the provision of laptops to elected members was discussed. It was proposed that appropriate investigative work be completed before the issue was presented for consideration to the incoming Council.

The meeting was adjourned at 10.30 am for morning tea and reconvened at 10.45 am.

**068 4180 Staff Appointments**

Resolved that a budget of \$15,000 be included for staff appointments.

**B J D Stringer/D Pullen**

The Mayor and Cr Page voted against the motion.

**035 9008 2 Charges Asset Management**

The Chief Executive Officer undertook to review the management structure for the Waste Management activity.

**Information Technology Support - Capital Expenditure**

It was agreed that the budget for the data projector be removed from the Capital Expenditure Budget.

Motion:

That the budget for Information Technology Support Capital Expenditure be reduced to \$40,000.

**D Pullen/E Williams**

Amendment

That the budget for Capital Expenditure be reduced to \$30,000.

**G Page/**

The amendment lapsed for want of a seconder.

Amendment:

That the total pool for Information Technology Support Capital Expenditure including computers in all departments be reduced to \$50,000.00.

**The Mayor/B J D Stringer**

The amendment was put and carried, became the substantive motion which when put to the vote was carried.

The Chairman suggested that the proposed budgets for Capital Expenditure be supported by written submissions prior to future budget meetings.

The Community Facilities Manager was requested to investigate the increased electricity costs in Twizel Service Centre.

### **Waste Management**

The Solid Waste Manager joined the meeting to answer questions from the Councillors regarding the shifting of his office back to the Twizel Service Centre.

He said the move, approved by the Asset Manager and the Management Team, had been made because of the inconvenience of constant interruptions at the Resource Recovery Park office and problems caused by dust contamination of the office equipment. The move back to the Service Centre had enabled him to link into the office server and dispose of an internet connection.

The Mayor expressed his surprise at the new arrangements noting that the original relocation of the Solid Waste Manager's office at the Twizel Resource Recovery Park had been to enable the Manager to be more 'hands-on' at the Park.

The Solid Waste Manager assured Councillors that his "hands-on" approach would continue.

In response to a question from the Mayor regarding the management of the Resource Recovery Parks in Lake Tekapo and Fairlie, the Solid Waste Manager explained that whenever he was in Fairlie and Lake Tekapo he visited the parks to maintain contact with the employees, encourage and direct them and to deliver supplies as required.

### **Page 93**

Resolved that the Environment Canterbury's monitoring regimes for landfills be investigated and reported to Council.

**D Pullen/E Williams**

### **Fairlie Resource Recovery Park:**

#### **110 8925 Capital Expenditure - Plant and Equipment:**

Resolved that the \$5,000 budget for Plant and Equipment be removed.

**B J D Stringer/G Page**

The Chairman noted the request for capital expenditure had been declined because it had not been justified in a written report to the Operations Committee.

### **Telephone and Tolls**

The Solid Waste Manager was asked to investigate the budgets for Telephones and Tolls with the view to reducing costs by supplying prepaid cell phones to the employees at the Resource Recovery Parks.

#### **115 8925 Plant:**

It was agreed that the budget of \$20,620 for purchase of a press be removed because the purchase was to be deferred until the 2008/09 year.

Cr Pullen referred to the cost of disposing of residual waste and a suggestion that it could be supported by contributions from the communities. He anticipated that such a change of policy would be proposed to the Operations Committee.

The meeting was adjourned at 1.05 pm for lunch and reconvened at 1.40 pm.

**Forestry – Page 48:**

The Manager – Finance and Administration noted that the changes made by the Forestry Board had yet to be incorporated in the budget.

4. RURAL BUDGET FOR 2007/2008:

This report was accompanied by cost centre budgets for the Rural Area for the 2007/08 year.

**Burkes Pass Water Supply**

The Utilities Engineer explained the proposed budget for Capital Expenditure for securing the intake of the Burkes Pass water supply, fencing, shifting a track and renewing the chlorinator.

**017 8980 Community Assets – Water Supply**

Resolved that the budget be reduced to \$10,000 and that a meeting with the Burkes Pass Water Supply ratepayers be held prior to any work being carried out.

**D Pullen/G Page**

**Rural Fires**

Resolved that the Rural Fire Officer Rob Hands be invited to meet with the Council to explain the proposed budget for Burkes Pass Fire Shed.

**G Page/The Mayor**

**Subsidised Roothing Rural:**

The Manager – Roothing undertook to clarify the budgets for cost centres 253 6285 *Traffic Service Maintenance – Signs and Edge Market Posts* and 253 8198 *Traffic Services Renewal – Signs and Edge Market Posts*.

The Council agreed with the rate requirement but expressed concern about the allocation.

The Manager – Finance and Administration suggested the information could be presented to the Council meeting on 3 April 2007 at which the 2007/08 budgets were to be approved.

**263 8192 Capital Expenditure – Other Projects (Unsubsidised Roothing – Rural)**

It was agreed that the budget remain and that further information be provided to the Operations Committee before any work on the projects started.

5. GENERAL RATE BUDGET FOR 2007/08:**Civil Defence:**

The Mayor undertook to investigate the staff structure for Civil Defence in conjunction with Cr Gallagher and the Chief Executive Officer.

**Animal Control**

The Manager – Planning and Regulations advised that it was his intention to present a report to the Council regarding infringement fees and impounding costs.

Cr Pullen said the Council had considered a report on the issue earlier and it had been agreed that a secure pound facility should be constructed in the Twizel Resource Recovery Park.

### **Inspectorate**

Cr Pullen reiterated his suggestion that the source of revenue for the Inspectorate be reviewed in order to reduce the rate requirement.

### **Resource Planning**

Resolved that the Capital Expenditure budget be reduced by \$20,000.00.

**G Page/D Pullen**

### Resolved:

1. That the *Publications and Legislations* budgets across all the cost centres be investigated.
2. That the users' fees for the Health Inspectorate be reviewed.

**G Page/E Williams**

### **048 5266 Road Safety Trust**

Staff were asked to check the source of the grant for this activity.

### **Mt Cook Lookout Toilets**

#### **156 5027 and 156 5262 - Maintenance:**

Resolved that the maintenance budgets for the Mt Cook Lookout Toilets be reduced to \$2,300.

**G Page/E Williams**

### **Fairlie Medical Centre**

Resolved that the budget for General Maintenance for the Fairlie Medical Centre of \$26,754 be removed.

**G Page/E Williams**

### **Twizel Medical Centre**

Resolved that the budget for General Maintenance for the Twizel Medical Centre of \$18,522 be removed.

**D Pullen /E Williams**

The Mayor reiterated his desire that time be set aside to allow the Committees to dissect the draft budgets prior to the Council's Budget Meetings.

The Chief Executive Officer suggested time be allocated prior to the Christmas break to considering draft budgets, in particular those for proposed Capital Expenditure.

Having incorporated the amendments into the draft budgets the Manager – Finance and Administration explained the results and the rates to be collected from the indicator properties across the District.

Resolved that the Budgets for 2007/08, with the amendments resolved by the Council, be approved for adoption.

**S McDermott /E Williams**

**III MEETINGS:**

The Mayor reminded Councillors of the Zone 5 and 6 Meeting to be held on 1 and 2 May 2007, and the Rural Health Symposium to be held in Christchurch on 6 June 2007.

Crs McDermott, Pullen, Stringer and Williams advised that they would not be attending the meeting with Environment Canterbury on 11 April 2007.

It was suggested that a workshop be organised in June/July 2007 to consider the funding policy issues raised by Cr Pullen.

**THERE BEING NO FURTHER BUSINESS THE  
DEPUTY MAYOR DECLARED THE MEETING CLOSED  
AT 5.12 PM**

**MAYOR:** \_\_\_\_\_

**DATE:** \_\_\_\_\_