

# MACKENZIE DISTRICT COUNCIL

## MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON FRIDAY 12 FEBRUARY 2010 AT 9.00 AM

### **PRESENT:**

Simon McDermott (Chairman)  
John O'Neill (Mayor)  
Graham Smith  
Leon O'Sullivan  
Graeme Page  
Dave Pullen  
Evan Williams (from 11.30 am)

### **IN ATTENDANCE:**

Glen Innes (Chief Executive Officer)  
Paul Morris (Manager – Finance and Administration)  
Rosemary Moran (Committee Clerk)

### **I APOLOGIES:**

Resolved that an apology for lateness be received from Cr Williams.

**Graeme Page/Leon O'Sullivan**

### **II MINUTES:**

Resolved that the Minutes of the meeting of the Finance Committee held on 1 December 2009, including such parts as were taken with the Public Excluded, be confirmed and adopted as the correct record of the meeting.

**The Mayor/Leon O'Sullivan**

### **III REPORTS:**

#### 1. FINANCIAL REPORTS– DECEMBER 2009:

This report from the Manager – Finance and Administration was accompanied by the financial reports for the Council for December 2009.

Resolved that the reports be received.

**Graeme Page /Leon O'Sullivan**

#### 2. BANCORP QUARTERLY REPORT – DECEMBER 2009:

This report from the Manager – Finance and Administration was accompanied by the quarterly report of the performance of the Council's investment portfolio managed by Bancorp Treasury Services Ltd

Resolved that the report be received.

**Graham Smith/Leon O'Sullivan**

Resolved that comment and opinion be sought from Bancorp on the background of the Merrill Lynch, Morgan Stanley and Deutsche Bank bonds in Council's portfolio with respect to the contraction in their credit spreads.

**Graham Smith/Graeme Page**

The meeting was adjourned at 10.35am for morning tea and reconvened at 10.50 am.

3. ADJUSTING INTERNAL INTEREST RATE MARGIN:

This report from the Manager – Finance and Administration sought an increase in the internal interest rate margin earned on overdrawn Capital Reserve balances.

Resolved that the report be received.

**Graham Smith/Dave Pullen**

Resolved that the internal interest rate charge on overdrawn Capital Reserve balances be set at 3% and that this change be reflected in the financial year commencing 1 July 2012 or earlier if amendments are made to the Long Term Council Community Plan following the rating workshops.

**Leon O'Sullivan/Dave Pullen**

4. FINANCE RATING POLICY WORKSHOP:

This report from the Manager – Finance and Administration requested that a workshop be held to discuss whether Council wished to amend any of its policies on rating and rate funding.

Cr Williams joined the meeting at 11.30 am.

Resolved:

1. That the report be received.
2. That a workshop be held on Friday 12 March 2010 to discuss possible changes to the rating system including:
  - a. changing the basis of investment income allocation
  - b. funding of Solid Waste
  - c. funding of Corporate Services

**The Mayor/Graeme Page**

The Manager – Finance and Administration requested that elected members advise him as soon as possible of any additional proposals for changes to rating and funding.

**IV PUBLIC EXCLUDED:**

Resolved that the public be excluded from the following part of the proceedings of this meeting namely:

1. Property Matters

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
Property Matters	Commercial Sensitivity	48(1)(a)(i)

This resolution is made in reliance on Section 48(1)(a)(i) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by Section 6 or Section 7 of that Act, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows: *Property Matters* - section 7(2)(b)(ii) - to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied it.

**Graham Smith /Graeme Page**

The Committee continued in Open Meeting.

### **III REPORTS (Continued):**

#### **5. SPONSORSHIP REQUEST – SOUTH CANTERBURY BUSINESS AWARDS:**

The Mayor explained that the Council had been asked by the South Canterbury Chamber of Commerce to provide sponsorship for the 2010 South Canterbury Business Awards; the Mackenzie and Waimate Districts had been asked to contribute \$2,500 each towards a \$5,000 sponsorship package.

Resolved that the request from the South Canterbury Chamber of Commerce to provide sponsorship for the South Canterbury Business Awards be submitted to the Mackenzie Tourism and Development Trust for an opinion as to the worth of such an investment,.

**Leon O’Sullivan/Graham Smith**

**THERE BEING NO FURTHER BUSINESS THE  
CHAIRMAN DECLARED THE MEETING CLOSED AT 11.55 PM**

**CHAIRMAN:** \_\_\_\_\_

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