

MACKENZIE DISTRICT COUNCIL

MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 23 JUNE 2009 AT 9.55 AM

PRESENT:

Graham Page (Acting Chairman)
John O'Neill (Mayor)
Dave Pullen
Leon O'Sullivan
Graham Smith

IN ATTENDANCE:

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

I APOLOGIES:

Resolved that apologies be received from Crs McDermott and Williams.

The Mayor/Dave Pullen

II MINUTES:

Resolved that the Minutes of the meeting of the Finance Committee held on 12 May 2009, including such parts as were taken with the Public Excluded, be confirmed and adopted as the correct record of the meeting.

Dave Pullen /Graham Smith

MATTERS ARISING:

1. Wilding Trees:

The Mayor suggested the Council needed to look at the wilding tree problem on site in Twizel.

2. Fairlie Medical Centre:

The Chief Executive Officer reported on a recent meeting with the local doctors at which they had been made aware that the Council was keen to make progress with the extensions to the Fairlie Medical Centre. He said an application for funding from Transpower had been lodged and a second application to the South Canterbury Community Trust was being prepared.

Cr Smith considered the Council needed to move urgently and make a commitment to securing the improvements to the medical centre. Cr O'Sullivan added that it was important to keep the doctors informed of Council's actions.

Motion:

That the Council proceed with the extensions to the Fairlie Medical Centre

Graham Smith/

The motion lapsed for want of a seconder.

It was noted that the Council had already approved in principle the additions to the medical centre buildings at Fairlie and authorised management to develop a funding plan to achieve the additions with no rate payer input from Council

In response to a query regarding Council's obligations with regard to the provision of medical facilities, the Chief Executive Officer said that the Council owned the medical centres in both Fairlie and Twizel and there was already ratepayer input into those buildings; by proposing to extend the Fairlie facility, Council was not exactly leaping into uncharted territory. He noted that, while in a larger district ratepayers might not be supportive, every time the people of the Mackenzie District had been consulted regarding the sorts of services of concern to them as residents of a rural district, accessible medical services had always topped the list followed closely by educational services.

The meeting was adjourned at 10.45 am for morning tea and reconvened at 11.00 am.

III REPORTS:

1. FINANCIAL REPORT TO 30 APRIL 2009:

This report from the Manager – Finance and Administration was accompanied by the financial reports for the Council for the ten months to April 2009.

Resolved that the report be received.

Dave Pullen/Leon O'Sullivan

The desirability of clarifying Council's vehicle policy was noted.

Resolved that Crs Smith and Page with the Manager – Finance and Administration and the Asset Manager review the Vehicle Policy for final adoption by the Council

Leon O'Sullivan/Dave Pullen

2. MOTOR VEHICLE MILEAGE ALLOWANCE FOR ELECTED MEMBERS:

This report from the Manager – Finance and Administration advised of a proposal to abolish the current mileage allowance and replace it with reimbursement of travelling time and actual travel costs in limited circumstances.

The report was accompanied by a discussion paper from the Remuneration Authority.

Resolved that the report be received.

Graham Smith/Dave Pullen

Resolved that the Council submit against the Remuneration Authority's proposal to abolish the current mileage allowance for elected members and replace it with reimbursement of travelling time and actual travel costs in limited circumstances.

Dave Pullen/The Mayor

Cr Pullen requested that a request that mileage allowances not be subject to tax accompany the submission to the Remuneration Authority.

3. **PUKAKI AIRPORT BOARD REMUNERATION:**

This report from the Manager – Finance and Administration sought formalisation of the Pukaki Airport Board members’ remuneration for the financial year ended 30 June 2009 and confirmation of the remuneration for Year 1 of the Long Term Council Community Plan.

Resolved that the report be received.

Graham Smith/The Mayor

Resolved that the Pukaki Airport Board be paid the balance of fees for the year ended 30 June 2009 totalling \$6,750 and that these fees be allocated in the proportion determined by the Pukaki Airport Board.

Dave Pullen /Leon O’Sullivan

Resolved that the members’ fees for the year ended 30 June 2010 be set following consultation with the Pukaki Airport Board directors.

Dave Pullen/Graham Smith

The meeting was adjourned at 12.30 pm for lunch and reconvened at 1.20 pm

IV PUBLIC EXCLUDED:

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

1. Public Excluded Minutes of Finance Committee Meeting held on 12 May 2009
2. Lake Tekapo Land
3. Lake Alexandrina Leases

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under Section 48(1) for the passing of this resolution
Public Excluded Mins of 12 May 2009		
Lake Tekapo Land	Commercial Sensitivity	48(1)(a)(i)
Lake Alexandrina Hut Leases	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: *Lake Tekapo Land*, and *Lake Alexandrina Leases* - 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, section 7(2)(b)(ii).

Graham Smith/Dave Pullen

The Committee continued in Open Meeting.

V CONFIRMATION OF RESOLUTIONS TAKEN WITH THE PUBLIC EXCLUDED:

LAKE ALEXANDRINA LEASES:

Resolved that the following decisions made with the Public Excluded be confirmed:

1. That Council confirms the start date of the lease as 1 July 2008.
2. That Council rejects the Hut Holders Associations claims to remove Clause 7.1(e) from the lease
3. That clause 6.1(c) be amended to reflect that the road forms part of the reserve and as such should be funded from reserve rentals; however the clause incorporates the idea that any non wear and tear damage be the responsibility of the hut holders to re-instate.
4. That if agreement cannot be reached then management be authorised to commence publicly tendering the leases for those people who have not paid their current invoice.

Dave Pullen /Graham Smith

**THERE BEING NO FURTHER BUSINESS THE
CHAIRMAN DECLARED THE MEETING CLOSED AT 2.26 PM**

CHAIRMAN: _____

DATE: _____

**MINUTES OF THAT PART OF A MEETING OF THE FINANCE COMMITTEE HELD IN
THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 23 JUNE 2009, TAKEN PUBLIC
EXCLUDED PURSUANT TO THE PROVISIONS OF THE LOCAL GOVERNMENT
OFFICIAL INFORMATION AND MEETINGS ACT 1987**

PRESENT:

Graham Page (Acting Chairman)
John O'Neill (Mayor)
Dave Pullen
Leon O'Sullivan
Graham Smith

IN ATTENDANCE:

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

I MINUTES:

Resolved that the Minutes of that part of the meeting of the Finance Committee held on 12 May 2009 taken with the Public Excluded be confirmed and adopted as the correct record of the meeting.

Graham Smith/Leon O'Sullivan

II LAKE ALEXANDRINA LEASES:

This report from the Manager – Finance and Administration was provided to appraise the Council on the situation regarding the Lake Alexandrina leases and sought confirmation of management's proposed actions.

Acting Chairman Cr Page declared his interest in the issue. He left the room and took no part in the debate.

The Mayor took the Chair in the Acting Chairman's absence.

Resolved that the report be received.

Leon O'Sullivan/Dave Pullen

Concern was expressed that because leases were not yet available, some hutholders would be reluctant to pay the annual rental. The Manager – Finance and Administration agreed that was possible however he noted that 25% of the lessees had already paid. He clarified that he would be happy to provide leases to all hutholders, but their associations had not yet finalised leases on their behalf. He said he was seeking Council's instructions to convey to the associations that because agreement had not been reached, the current version of the lease would be issued to those who had paid and the rest would be put up for tender.

He said he would be happy to wait for the leases to be signed before hutholders paid their rent, but emphasised the importance of confirming that the start date would be 1 July 2008.

Resolved:

5. That Council confirms the start date of the lease as 1 July 2008.
6. That Council rejects the Hut Holders Associations claims to remove Clause 7.1(e) from the lease
7. That clause 6.1(c) be amended to reflect that the road forms part of the reserve and as such should be funded from reserve rentals; however the clause incorporates the idea that any non wear and tear damage be the responsibility of the hut holders to re-instate.
8. That if agreement cannot be reached then management be authorised to commence publicly tendering the leases for those people who have not paid their current invoice.

Dave Pullen /Graham Smith

Cr Page returned to the meeting and resumed the Chair.

II **TEKAPO CAMPING GROUND:**

This report from the Manager – Finance and Administration referred to an offer for land surrounding the camping ground at Lake Tekapo.

Resolved that the report be received.

Dave Pullen /Leon O’Sullivan

Resolved that the offer be accepted in principle and that detailed negotiations commence with Tekapo Holdings Ltd to finalise the sale.

Dave Pullen Leon O’Sullivan

Resolved that the terms of payment be as follows:

- 10% to be paid on signing of Sale and Purchase Agreement
- 40% to be paid when resource consents have been obtained, and
- 50% to be paid within the following 12 months.

The Mayor/Leon O’Sullivan

Cr O’Sullivan requested that the proposed covenants be submitted to the Tekapo Community Board.

The Chief Executive Officer noted the following points:

1. That the block of land subject to the offer is acceptable to Council.
1. That the detail of the covenant needs to be negotiated.
2. That the value of the offer is acceptable to Council.
3. That the terms of payment need to be negotiated.

III **OPEN MEETING:**

Resolved that the Committee continue in Open Meeting.

GS /Leon O’Sullivan

CERTIFIED AS CORRECT

CHAIRMAN