

## **MACKENZIE DISTRICT COUNCIL**

### **MINUTES OF A MEETING OF THE FINANCE COMMITTEE HELD IN THE COUNCIL CHAMBERS, FAIRLIE, ON TUESDAY 12 APRIL 2011 AT 9.40 AM**

#### **PRESENT:**

Graham Smith (Chairman)  
Claire Barlow (Mayor)  
John Bishop  
Peter Maxwell  
Annette Money  
Graeme Page  
Evan Williams (from 10.00 am)

#### **IN ATTENDANCE:**

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

#### **I APOLOGY:**

There were no apologies.

#### **II DECLARATIONS OF INTEREST:**

Cr Page noted his interest in the Lake Alexandrina Reserve, in that his wife owned a hut at the Reserve; 'Lake Alexandrina Reserve Funds Policy' was the subject of a report on the Agenda

#### **II MINUTES**

The Minutes of the previous meeting of the Finance Committee held on 1 March 2011, including such parts as were taken with the Public Excluded, were confirmed and adopted as the correct record of the meeting.

**Graeme Page/Evan Williams**

#### **MATTERS UNDER ACTION:**

##### **1. Medical Facilities:**

The Chief Executive Officer explained that the Council had requested a report on the funding of District medical facilities, including the level of rental income

received. The Community Facilities Manager noted a further issue was the use of the funds generated from the sale of the doctors' residence in Fairlie.

## 2. **Mackenzie Retirement Villas:**

The Community Facilities Manager said that the Fairlie Lions Club had declined to provide the \$2,482.00 as requested but had offered a \$500.00 contribution. In order to avoid the GST issue, it had been tentatively suggested that the Lions take over the project. If the Lions Club formally agreed to do this, the Council's agreed contribution of \$3,442 would then be required as a donation the Lions.

## **VI VISITORS:**

The Chairman welcomed Aoraki Foundation Trustees, Chairman Nigel Davenport and Ken McKenzie. Mr McKenzie referred to the background of the Foundation and the Trustees, noting that the Mackenzie District was represented by John Bishop.

He said that the Foundation had initially been project driven; however it was now proposing to launch an endowment fund.

Mr McKenzie explained that the Foundation was not a Council Controlled Organisation and to that end the respective regional mayors as senior leaders in their communities were asked to nominate their appointees to the Trust; the appointees did not have to be councillors.

Cr Williams joined the meeting at 10.00 am.

Mr McKenzie said the Foundation had proposed that a joint representative be nominated for the Waimate and Mackenzie Districts, as had originally been recommended. This recent proposal arose because the funding which had been sought from Alpine Energy Ltd had not eventuated to the extent anticipated thus obviating the reason for the separate representation. He said the proposal was being put forward for consideration by the two councils and if the councils did not agree, the status quo would remain.

Nigel Davenport gave a power point presentation which referred to the Foundation's Integrated Funding Approach and Funding Levels. It outlined the Purpose of the Organisation, named the Trustees and referred to Project Progress to Date, Overall Funding and Specific Examples of Funding Support. A copy of the presentation is attached to this record as Appendix A.

Mr Davenport referred to the Foundations plans to launch an endowment fund, and explained its necessity for the wellbeing and self sufficiency of the Foundation.

Mr McKenzie referred to issues involved in attracting endowment funding noting that to be successful it was necessary to have the right person approach appropriate potential donors with care and sensitivity. He noted the ability for endowment funding to come from people who loved the district they lived in and had a desire to support it by making appropriate provision in their wills.

Mr Davenport explained that the Foundation was not a fund raiser; applications for funding would normally be made through other entities such as the Aoraki Gaming Trust or Mid and South Canterbury Community Trust. Those entities could use the Foundation to channel applications. Approaches to the Foundation would normally be made by the Trustee who was the relevant community's representative.

The Chairman thanked the visitors who left the meeting at 10.35 am.

The meeting was adjourned for morning tea at 10.35 am and reconvened at 11.35 am.

### **III REPORTS:**

#### **1. FINANCIAL REPORT – FEBRUARY 2011:**

This report from the Manager – Finance and Administration was accompanied by the financial reports for the period to February 2011.

The Manager – Finance and Administration spoke to his report.

Resolved that the reports be received.

**Claire Barlow/Graeme Page**

### **VI VISITORS:**

The Chairman welcomed Geoff Barry, Sport Canterbury Chief Executive Officer, and Verna Parker, South Canterbury Sport and Young People Manager. The visitors thanked the Committee for the opportunity of their meeting with the elected members.

Mrs Parker distributed information which referred to the Canterbury West Coast Sports Trust, Sport South Canterbury, Community Benefit, Working Alongside Council, Sport Development, Young People, Physical Activity and Funding Being Sought for 2011/2012.

Mr Barry further explained the function and role of the Trust, the issues on which it was strategically focussed and how it was bound by those strategies in relation to the Mackenzie District.

He said a major focus of the Trust was about participation in physical activity; the Trust was conscious of backing those sports and activities in schools where such participation could be demonstrated.

In response to Cr Smith's enquiry about the level of contribution to the Trust by other local authorities, Mr Barry suggested it would rely on what each community considered was important.

Mrs Parker explained that the projects in the Mackenzie District included work in schools, falls prevention and green prescription programmes and school holiday programmes.

She said there was also opportunity for local teachers and coaches to travel to training courses in Timaru. She noted her recent involvement in a Fairlie community initiative to encourage local sports clubs and groups to work collaboratively which could help a limited volunteer base in the 700 population to be more effective in managing the 16 sports on offer.

She said there had been five local finalists in the 2010 South Canterbury Sports Awards and local elite performers were doing well.

Mr Barry referred to the \$837,000 per capita grant which the Trust received from SPARC; however than was not allocated on that basis. Mr Barry suggested that dialogue be established with the view to developing a sport and recreation strategic plan to enable the District to become eligible for funding from that source.

Cr Money suggested that there was a lack of information regarding the sort of support which Mackenzie schools would appreciate. Mrs Parker said that the Sport South Canterbury Young People Advisor, Lee King, had worked with the schools over the previous two years and identified the need to improve children's skills especially in the transition from primary to high school period. She also supported school programmes and improvement of activity levels at intervals and lunch times.

Cr Money questioned whether the benefit of Council's investment in the Trust was spread evenly across the District.

Mrs Parks said that the Trust had not been involved in the Twizel and Tekapo schools, health programmes had been run in Twizel and Fairlie and holiday programmes offered in Twizel and Fairlie. She highlighted Sport South Canterbury's limited resources of six staff covering three local authorities, 15 schools, the green prescription and falls prevention programmes and young persons' activities; three staff were part time and three full time.

Mr Barry reiterated the benefits of establishing a District sports structure because in reality it was not possible to cover all the sports across all the schools in the Districts; choices had to be made.

The Chairman thanked the visitors for attending.

The meeting was adjourned for lunch at 12.45 pm and reconvened at 1.25 pm.

### III REPORTS:

#### 3. POLICY RELATING TO THE USE OF RENTAL INCOME RECEIVED FROM THE TWO LAKE ALEXANDRINA SETTLEMENTS:

This report from the Manager – Finance and Administration provided a draft policy relating to the use of rental income received from the two Lake Alexandrina settlements.

Resolved that the report be received.

**Annette Money/Peter Maxwell**

Resolved:

1. That Council maintain a balance in the reserve equal to 15% of the accumulated income earned during the preceding three years as an emergency fund and be considered Priority 1.
2. That Council continue to fund Rural Township Reserve expenditure and be considered Priority 2.
3. That any projects of planned improvements to the Lake Alexandrina Reserve as consulted with the two Lake Alexandrina groups and included in Councils Long-Term Plan have call on the funds after satisfying recommendations 2 and 3 above.
4. That Council fund other community reserve expenditure for capital projects where the community concerned funds 50% of the cost from local sources.

**Annette Money/Evan Williams**

### IV PUBLIC EXCLUDED:

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

1. Sale, Lot 2, Mackenzie Drive, Twizel
2. Eversley Reserve
3. High Country Health and Mackenzie Medical Trust (briefing)

<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>
Sale Lot 2, Mackenzie Drive Twizel	Legal Professional Privilege	48(1)(a)(i)
Eversley Reserve	Legal Professional Privilege	48(1)(a)(i)
High Country Health and Mackenzie Medical Trust	To enable the Council to carry on Negotiations	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: *Lot 2, Mackenzie Drive, Twizel* and *Eversley Reserve* Section 7(2)(g) and *High Country Health and Mackenzie Medical Trust* Section 7(ii)(i).

**Claire Barlow/Graeme Page**

The Committee continued in Open Meeting.

**SPORT CANTERBURY:**

The Chairman referred to the recommendation that the Council's contribution to Sport Canterbury be increased by 25% for the 2011/2012 year.

The Manager – Finance and Administration advised that the proposed budget for 2011/2012 for Sport Canterbury was \$4,533.00.

Resolved that the Council's contribution to Sport Canterbury for the 2011/2012 year be confirmed at \$4,533.00.

**Graeme Page/Evan Williams**

**AORAKI FOUNDATION:**

Cr Bishop signalled his wish for the Mayor to replace him as her appointee to the Aoraki Foundation. It was agreed that the issue be included on the Agenda for the Council meeting on 19 April 2012.

Resolved that the recommendation that the Mackenzie and Waimate Districts revert to appointing one joint representative to the Aoraki Foundation be rejected.

**Graeme Page/Evan Williams**

**THERE BEING NO FURTHER BUSINESS THE  
CHAIRMAN DECLARED THE MEETING CLOSED AT 2.50 PM**

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

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