

Report of the ordinary meeting of the Finance and Policy Committee held in the Council Chambers, 29 Bowler Avenue, Gore on Wednesday 26 April 2017, at 5.35 pm.

Present His Worship the Mayor (Mr Tracy Hicks, JP), Cr Bolger (Chairperson), Crs Beale, Davis, Dickson, Gardyne, D Grant, Highsted, Phillips, Reid and Sharp.

In Attendance The Chief Executive (Mr Steve Parry), Chief Financial Officer (Mr Luke Blackbeard), General Manager Regulatory and Planning (Dr Ian Davidson-Watts), Parks and Recreation Manager (Mr Ian Soper), Transport Manager (Mr Peter Standring), Communications Manager (Sonia Gerken), Building Control Manager (Mr Russell Paterson), 3 Waters Asset Manager (Mr Matt Bayliss), Senior Corporate Support Officer (Ceri Macleod), 3 Waters Project Manager (Mr Sam Bunting) and one member of the public in the gallery.

Apology Cr P Grant apologised for absence.

1. CLEAN AIR LOANS UPDATE (SC1633)

The Committee considered a memo from the Chief Financial Officer providing an update on the clean air loans scheme.

The Officer said feedback from the scheme managers indicated there was a lot of interest in the scheme. He said that approvals were still quite low but likely to increase.

RECOMMENDED on the motion of Cr Highsted, seconded by Cr Dickson THAT the report be received.

2. QUARTERLY DEBT REPORT (SC1479)

The Committee considered a quarterly debt report from the Council's treasury advisors, Bancorp.

The Chief Financial Officer drew the Committee's attention to page eight of the report prepared by Bancorp regarding the breach of hedging policy. He explained the Council was operating outside recommended hedging levels to maximise the benefits of lower interest rates, with fixed term loans to be pursued to rectify the (albeit positive) situation by the end of June 2017.

Cr Highsted asked whether the breach necessarily needed to be rectified given the utilisation of low interest rates. The Chief Financial Officer provided further background information on the nature of the breach and the restrictions around it. He said the situation would be managed to the Council's best interests.

In response to Cr Highsted, the Chief Executive proposed the Committee endorse the current breach, subject to quarterly review.

RECOMMENDED on the motion of Cr Highsted, seconded by Cr Gardyne THAT the report be received,

AND THAT the Committee endorse the current hedging breach, subject to quarterly review.

3. PROPOSED FEES AND CHARGES FOR 2017/18 (SC1188)

The Committee perused a report prepared by the Chief Financial Officer regarding proposed fees and charges for the year commencing 1 July 2017. A copy of the full schedule of fees and charges had been circulated.

RECOMMENDED on the motion of Cr D Grant, seconded by Cr Reid THAT the report be received.

4. FINANCIAL REPORT FOR MARCH 2017

The Committee considered the financial report for March 2017.

In response to Cr Bolger the Chief Financial Officer said the increase in budget resulting from rates penalties was at a slightly higher level than expected.

An error was noted in the second paragraph of page 58 of the report, which should have read:

This includes recoveries from Maitava Valley Milk (MVM) for work on the industrial wastewater treatment hub. Expenses are down by \$185k which can be attributable to borrowing costs being lower than expected due to the timing of borrowing.

RECOMMENDED on the motion of Cr Bolger, seconded by Cr Dickson THAT the report be received.

The meeting concluded at 5.51pm