

POLICY AND DEVELOPMENT COMMITTEE MEETING

on

Tuesday 16 June 2009

Deleted: 10 February

**Council Chamber
District Council Building
2 King George Place
Timaru**

TIMARU DISTRICT COUNCIL

Notice is hereby given that a meeting of the Policy and Development Committee will be held in the Council Chamber, District Council Building, 2 King George Place, Timaru on Tuesday 16 June 2009, at the conclusion of the District Services Committee meeting.

Committee Members:

Clrs Bowan (Chairman), Barker, Bennett, Coughlan, Lyon and the Mayor.

LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968

Committee members are reminded that if you have a pecuniary interest in any item on the agenda, then you must declare this interest and refrain from discussing or voting on this item, and are advised to withdraw from the meeting table.

Warwick Isaacs
CHIEF EXECUTIVE

POLICY AND DEVELOPMENT COMMITTEE

16 JUNE 2009

AGENDA

Item No	Page No		
1		Apologies	
2		Identification of Items of Urgent Business	
3		Identification of Matters of a Minor Nature	
4		Chairman's Report	
5	1	Confirmation of Minutes	
<u>6</u>	5	Timaru District Holdings Ltd Quarterly Report	Formatted: Bullets and Numbering
<u>7</u>		Standing Committee Recommendations	Formatted: Bullets and Numbering
<u>8</u>		Consideration of Urgent Business Items	Formatted: Bullets and Numbering
<u>9</u>		Consideration of Minor Nature Matters	Formatted: Bullets and Numbering
<u>10</u>	10	Exclusion of the Public	Formatted: Bullets and Numbering
1	11	Confirmation of Minutes	
<u>2</u>	13	Re-admittance of the Public	Formatted: Bullets and Numbering Deleted: 28

POLICY AND DEVELOPMENT COMMITTEE

FOR THE MEETING OF 16 JUNE 2009

Report for Agenda Item No 5

**Prepared by Peter Nixon
Assistant Chief Executive**

Confirmation of Minutes

Minutes of the Policy and Development Committee meeting.

Recommendation

That the minutes of the Policy and Development Committee meeting held on 28 April 2009, be confirmed as a true and correct record.

UNCONFIRMED

TIMARU DISTRICT COUNCIL

MINUTES OF A MEETING OF THE POLICY AND DEVELOPMENT COMMITTEE HELD IN THE COUNCIL CHAMBER, DISTRICT COUNCIL BUILDING, KING GEORGE PLACE, TIMARU ON TUESDAY 28 APRIL 2009 AT 3.20PM

PRESENT Clrs Bowan (Chairman), Barker, Coughlan, Lyon and the Mayor

IN ATTENDANCE Clrs Bradley, Jack, Kennedy, Mulvey and Oliver
Mr D Gresham, Geraldine Community Board
Chief Executive (WA Isaacs), Assistant Chief Executive (PH Nixon), Regulatory Services Manager (P Thompson) (for Item 4), Property Manager (MK Ambler) (for Item 3 and Public Excluded Item 1), and Personal Assistant (CG Te Au)

APOLOGIES An apology for absence was received from Clr Bennett and from Mr L Double, Temuka Community Board for in attendance

1 CHAIRMAN'S REPORT

The Chairman reported on various meetings he had attended and duties he had carried out since the last Policy and Development Committee meeting including the Downlands Water Supply Joint Standing Committee meeting, the Tenders Subcommittee meeting and various meetings with the Chief Executive.

2 CONFIRMATION OF MINUTES

Proposed Clr Barker
Seconded Clr Coughlan

"THAT the minutes of the Policy and Development Committee meeting held on 17 March 2009, be confirmed as a true and correct record."

MOTION CARRIED

3 LAND EXCHANGE AT BARTON ROAD, CLAREMONT (File P3/27)

The Committee considered a report from the Property Manager on an exchange of land.

Proposed the Mayor
Seconded Clr Lyon

"THAT the Committee **RECOMMENDS** that the Council approves the principle of the exchange of land between Council and the adjoining owner, and seeks the Minister's consent to the exchange of the respective parcels of land currently held by Council and the adjoining owner, being land described in Lots 2 and 4, DP 375042, shown on plan LT 413430."

MOTION CARRIED

4 POSSIBLE REPLACEMENT OF THE SUNSHINE COACH (File C3/18)

The Committee considered a report from the Regulatory Services Manager on the possible replacement of the Sunshine Coach due to the vehicle's age and mileage, gifted to the Timaru District Council in 1993 from 'Variety the Children's Charity' for the free use by groups for youth under the age of 18 years.

Discussion took place on the community need for the service, the usage, depreciation, running and replacement costs. The Committee requested further information.

Proposed the Mayor
Seconded Clr Coughlan

"THAT the report be referred to Council with further information including usage, depreciation, running costs and possible replacement costs."

MOTION CARRIED

5 EXCLUSION OF THE PUBLIC

Proposed Clr Barker
Seconded Clr Lyon

"THAT the public be excluded on the grounds contained in Section 48(1) of the Local Government Official Information and Meetings Act:

Confirmation of Minutes Property Matter Section 7(2)(h)	The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, commercial activities."
---	--

MOTION CARRIED

Note: Mr D Gresham, Geraldine Community Board, and the Regulatory Services Manager (P Thompson), left the meeting.

6 SALE OF CLANDEBOYE HALL (File P9/6)

The Committee requested that the resolution of the public excluded item from the Policy and Development Committee meeting held on 17 March 2009 be made public.

Proposed Clr Bennett
Seconded Clr Lyon

"THAT the land be declared surplus to Council requirements and be available for sale when the market conditions are more favourable to the Council, and that the Chairman and Chief Executive be authorised to negotiate the sale at that time."

MOTION CARRIED

7 RE-ADMITTANCE OF THE PUBLIC

Proposed Clr Barker
Seconded Clr Coughlan

“THAT the public be re-admitted to the meeting.”

MOTION CARRIED

The meeting concluded at 3.55pm.

Chairman

POLICY AND DEVELOPMENT COMMITTEE

FOR THE MEETING OF 16 JUNE 2009

Report for Agenda Item No 6

**Prepared by Warwick Isaacs
Chief Executive**

Timaru District Holdings Ltd Quarterly Report (File F1/38)

The Timaru District Holdings Ltd report for the period January to March 2009 is attached for the Committee's information.

Recommendation

To be received and noted.

TIMARU DISTRICT HOLDINGS LTD

PO Box 522
TIMARU
Tel (03) 687 7200
Fax (03) 687 7201
E-mail tinar@timdc.govt.nz

Files F1/38 & F1/26/1

7 May 2009

The Chief Executive
Timaru District Council
P O Box 522
Timaru

Dear Warwick

TIMARU DISTRICT HOLDINGS LTD – REPORT TO COUNCIL FOR THE PERIOD JANUARY TO MARCH 2009

Timaru District Holdings Ltd (TDHL) is pleased to present this report for the period January to March 2009.

1 Finance

Financial Statements

The Timaru District Holdings Ltd financial statements for the period to 31 March 2009 are attached for information.

Dividend

TDHL paid a dividend of \$617,000 to the Council on 31 March 2009.

A redeemable preference share dividend of \$881,428.58. was paid on 31 March 2009.

2 Governance

PrimePort Timaru Ltd

The Board met with PPT Board member Nigel Gormack and Chief Executive Jeremy Boys to discuss current activities and future development at the port.

3 Reporting

The Board received the half year report for PrimePort Timaru Ltd for the period to 31 December 2008. Regular monthly reporting from Alpine Energy Ltd and PrimePort Timaru Ltd continues.

This has been a quieter period due to the holiday season.

Yours sincerely



Company Secretary

**TIMARU DISTRICT HOLDINGS LIMITED
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD TO 31 MARCH 2009**

March Budget	March Actual		2008/09 YTD Budget	2008/09 YTD Actual	2007/08 YTD Actual	Annual Budget	Forecast
		OPERATING REVENUE					
16,667	6,985	Interest	150,000	94,912	136,375	200,000	120,000
726,340	1,560,649	Dividends - Alpine	2,179,020	3,013,329	1,943,450	3,239,100	4,466,000
0	0	Dividends - PrimePort Timaru	0	0	285,701	200,000	0
0	0	Tax Loss Subvention Payment	0	0	0	0	0
157,100	47,719	Subvention (TDC Loan)	1,413,900	1,162,717	1,445,538	1,885,200	1,885,200
<u>900,107</u>	<u>1,615,353</u>		<u>3,742,920</u>	<u>4,270,959</u>	<u>3,811,064</u>	<u>5,524,300</u>	<u>6,471,200</u>
		OPERATING EXPENDITURE					
157,100	93,815	Interest - TDC	1,413,900	1,208,813	1,445,538	1,885,200	1,885,200
0	0	Interest - External	0	0	0	0	0
94,725	106,000	Interest - RPS	852,525	953,600	911,862	1,136,700	1,261,843
5,500	5,063	Directors Fees	49,500	47,043	45,155	66,000	66,000
0	0	Insurance	6,100	5,390	5,390	6,100	5,400
2,417	1,380	TDC Administration	21,750	12,595	12,487	29,000	29,000
850	1,321	Professional Fees - Deductible	7,650	1,321	1,490	10,200	5,000
6,250	3,168	Professional Fees - Non Deductible	56,250	52,630	10,483	75,000	60,000
67	0	Printing & Stationary	600	0	0	800	800
17	0	Tolls & Postage	150	226	0	200	500
300	174	Travel & Entertaining Costs	2,700	2,094	648	3,600	3,000
8	3	Bank Fees	75	74	74	100	100
333	0	Advertising	3,000	0	0	4,000	0
100	0	General Expenses	900	213	89	1,200	500
0	0	Audit Fees	0	392	0	10,000	10,000
<u>267,667</u>	<u>210,923</u>		<u>2,415,100</u>	<u>2,284,391</u>	<u>2,433,216</u>	<u>3,228,100</u>	<u>3,327,343</u>
632,440	1,404,430	OPERATING SURPLUS/(DEFICIT)	1,327,820	1,986,568	1,377,848	2,296,200	3,143,857
0	0	Prior Period Adjustment	0	0	0	0	0
<u>632,440</u>	<u>1,404,430</u>	OPERATING SURPLUS/(DEFICIT) BEFORE TAXATION	<u>1,327,820</u>	<u>1,986,568</u>	<u>1,377,848</u>	<u>2,296,200</u>	<u>3,143,857</u>
2,100	(26,400)	TAXATION EXPENSE/(BENEFIT)	17,300	(18,400)	23,400	22,700	(100)
<u>630,340</u>	<u>1,430,830</u>	NET SURPLUS/(DEFICIT)	<u>1,310,520</u>	<u>2,004,968</u>	<u>1,354,448</u>	<u>2,273,500</u>	<u>3,143,957</u>

**STATEMENT OF MOVEMENTS IN EQUITY
FOR THE PERIOD TO 31 MARCH 2009**

	2008/09 YTD Actual
Equity at 1 July	8,043,784
Net Surplus/(Deficit)	2,004,968
Total recognised revenues and expenses for the period	<u>2,004,968</u>
Contributions from owners during the period	0
Redeemable Preference Shares	0
Dividends RPS	0
Dividends to Owners	(1,672,700)
EQUITY AT 31 MARCH	<u><u>8,376,052</u></u>

TIMARU DISTRICT HOLDINGS LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH**

	2008/09 YTD Actual
EQUITY	
Share Capital	1,000,186
Redeemable Preference Shares	0
Retained Earnings	7,375,866
Dividend Declared After Balance Date	0
TOTAL EQUITY	<u>8,376,052</u>
CURRENT ASSETS	
Bank	563,511
General Investment	2,270,000
Intercompany Receivable	1,208,813
Accounts Receivable	9,189
Subvention Receipt	0
Taxation Benefit	0
RWT Refund	0
GST Refund	1,257
TOTAL CURRENT ASSETS	<u>4,052,770</u>
NON CURRENT ASSETS	
Investments	47,728,530
Future Tax Benefit	6,200
Fixed assets	0
TOTAL NON CURRENT ASSETS	<u>47,734,730</u>
TOTAL ASSETS	51,787,500
CURRENT LIABILITIES	
Bank Overdraft	0
Accounts Payable	8,100
Accrued Interest	1,208,813
Provision for Dividend	13,922
Current Portion Term Loans	0
Intercompany Advance	0
TOTAL CURRENT LIABILITIES	<u>1,230,835</u>
NON CURRENT LIABILITIES	
Timaru District Council	22,180,613
Redeemable Preference Shares	20,000,000
Timaru District Council - Primeport Investment Loan	0
TOTAL LIABILITIES	<u>43,411,448</u>
NET ASSETS	<u>8,376,052</u>

TIMARU DISTRICT HOLDINGS LIMITED

**STATEMENT OF CASH FLOWS
FOR THE PERIOD TO 31 MARCH 2009**

	2008/09 YTD Actual
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash was provided from:	
Receipts from Customers	
Subvention Receipt	1,888,115
Subvention Receipt Primeport	0
RWT Refund	0
Dividends	4,308,962
Interest	100,220
	<u>6,297,297</u>
Cash was disbursed to:	
Interest TDC	1,934,211
Interest RPS	1,254,467
Payments to Suppliers	131,971
	<u>3,320,649</u>
NET CASH INFLOW/(OUTFLOW) OPERATING ACTIVITIES	2,976,648
CASH FLOW FROM INVESTING ACTIVITIES	
Cash was provided from:	
Proceeds Sale Fixed Assets	0
Proceeds Sale Investments	0
	<u>0</u>
Cash was disbursed to:	
Purchase of Fixed Assets	0
Purchase of Investments	0
	<u>0</u>
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	0
CASH FLOWS FROM FINANCING ACTIVITIES	
Cash was provided from:	
Loans Raised	0
Redeemable Preference Share Issue	0
Share Subscriptions	0
	<u>0</u>
Cash was disbursed to:	
Dividends Paid	1,672,700
Loans Repaid	0
	<u>1,672,700</u>
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	(1,672,700)
NET INCREASE/(DECREASE) IN CASH HELD	1,303,948
OPENING CASH BALANCE 1 JULY	1,529,563
CLOSING CASH BALANCE 31 MARCH	<u>2,833,511</u>
Consisting of : Bank	563,511
Term Deposits	2,270,000
	<u>2,833,511</u>

POLICY AND DEVELOPMENT COMMITTEE

FOR THE MEETING OF 16 JUNE 2009

Report for Agenda Item No 10

Prepared by Peter Nixon
Assistant Chief Executive

Exclusion of the Public

Recommendation

That the Board resolves to exclude the public on the grounds contained in Section 48(1) of the Local Government Official Information and Meetings Act:

Confirmation of Minutes

Section 7(2)(h)

The withholding of the information is necessary to enable the Council to carry out, without prejudice or disadvantage, commercial activities.