

STAFF REPORT

TO: Chair and Members, Corporate Services Committee
FROM: Corporate Services Manager
DATE: 8 April 2008
SUBJECT: Corporate Services Manager's Report

FUNDING REQUIREMENT

No new loans have been raised since the last Corporate Services meeting.

TREASURY

Council's debt as at 28 February 2008 is \$76.6 million with an average interest rate of 7.24% (2006/2007) Annual Report 7.6%.

Investments total \$12.3 million and include \$7.5 million of the Port Nelson share buy back fund. By 30 June 2008 all investments from the Port Nelson share buy back will be used and Council will once again be borrowing money from external sources.

Treasury Ratio	Actual	Target
Debt servicing on external debt not to exceed	13.1%	20%

SUMMARISED INCOME/EXPENDITURE STATEMENT

	<i>Actual</i>	<i>Budget</i>
Operating revenue	\$48.5 million	\$72.0 million
Operating expenses	\$41.9 million	\$65.0 million
Operating surplus	\$6.6 million	\$7.0 million

SUMMARISED FINANCIAL POSITION – FEBRUARY 2008

Summarised Balance Sheet		
	<i>Actual</i>	<i>Budget</i>
Current assets	\$24.0 million	\$25.2 million
Current liabilities	\$24.9 million	\$19.5 million
Working capital	(.9) negative	\$5.7 positive
Non current assets	\$1,002.3 million	\$991.9 million
Non current liabilities	\$67.9 million	\$97.0 million
Total net assets	\$933.5 million	\$900.6 million

INSURANCE RENEWAL

Councillors questioned at the last Corporate Services meeting when insurance was last tendered. I am unable to provide details of the last tender but if Councillors were of a mind, insurance could be tendered as part of the next renewal in October of this year.

GOLDEN BAY MEDICAL CENTRE

At the last Corporate Services Committee meeting Councillors asked for a report back on details of land ownership in regard to the Golden Bay Medical Centre. I am advised that the Golden Bay Medical Centre project is to be discussed in detail at a forthcoming Council meeting so have therefore left any further discussion till that meeting.

MAY MEETING

With the month of May involving considerable work around the Annual Plan after discussions with the Chairman it has been decided to cancel this meeting.

At the conclusion of today's meeting, staff will be on hand to discuss the various options surrounding proposed new Councillor chairs for the Council Chamber.