

# STAFF REPORT

**TO:** Chair and Members, Corporate Services Committee

**FROM:** Murray Staite

**DATE:** 18 March 2010

**SUBJECT:** **Nelson Regional Sewerage Business Unit Surplus  
Income – RFN10-04-05**

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## Reason for Report

To consider a recommendation by the Combined Shareholders Group (the group) in regard to the allocation of surplus Nelson Regional Sewerage Business Unit (NRSBU) income.

## Background/Discussion

At its meeting of 1 March 2010 the group considered a report (attached) from the General Manager of the NRSBU, Mr M Schruer. This report sought guidance from the group on the NRSBUs powers in respect to any higher than budgeted surplus. After some discussion the following resolution was passed.

***THAT for this financial year the excess surplus above what was budgeted for from the Nelson Regional Sewerage Business Unit be returned to the two council shareholders in equal proportions***

To assist Councillors, Mr M Schruer and Mr A Bishop from the NRSBU will be in attendance to answer any questions.

## Significance of Decision

The matter is significant in that the costs of the NRSBU affect a large proportion of Council's ratepayers.

## Options

### Option 1

Decline to accept the recommendation and send the matter back to the Combined Shareholders Group for further discussion.

## **Option 2**

Accept the recommendation of the Combined Shareholders Group.

## **Recommendation**

That for the 2009/2010 financial year the excess surplus above what was budgeted for from the Nelson Regional Sewerage Business Unit be returned to the two council shareholders in equal proportions, subject to a similar resolution being passed by Nelson City Council

Murray Staite  
Corporate Services Manager