

## PART 4 – MEETING OF 9 DECEMBER 1998

**A meeting of the Recovered Materials Special Committee was held on Wednesday 17 February 1999 which considered the reports from the Recovered Foundation Materials Board meeting which took place on Wednesday 9 December 1998 at 12 noon**

- PRESENT:** Councillor Denis O'Rourke (Chairman),  
Councillor Ian Howell Messrs Mark Prain and  
Phil Falloon (for Peter Townsend).
- APOLOGIES:** Apologies for absence were received and accepted from  
Messrs Chris Pickrill and Peter Townsend.
- IN ATTENDANCE:** Piet Beukman (CEO), Graeme King (CEO Designate),  
Martin Homisan (Finance and Administration Manager),  
Sarah Gordon (Research and Education Officer),  
Mike Stockwell (Waste Manager, CCC)  
and Dale Wreford (Committee Secretary, CCC).

The Committee reports that:

### PART B - REPORTS FOR INFORMATION

#### 4.1 WELCOME NEW CEO, MR GRAEME KING

An official welcome and introduction was extended to the newly appointed Chief Executive Officer, Mr Graeme King. A formal presentation and vote of thanks for excellent service was made to Mr Piet Beukman on his retirement from the position.

It was **resolved** that Mr Piet Beukman be authorised to provide consultancy services to the Chief Executive Officer Designate during the transition of the CEO function; the CEO Designate to recommend a suitable consultancy fee for this purpose, and define the terms of the consultancy.

#### 4.2 FINANCIAL REPORT

The Finance and Administration Manager provided a financial report for the RMF Board's consideration for November 1998. The information was **received**.

#### **4.3 CEO REPORT**

A report from the RMF CEO covering the month preceding the December Board meeting was considered. Oral summaries were presented on the following:

- Revolving Loan Fund (RLF): Applications in the pipeline – further report due February 1999
- Waste Exchange Database (WED): Gathering momentum
- Site Phase 2: Subject to discussions with Hurunui Plastics. Construction to take place from March through June 1999

The information was **received**.

#### **4.4 KERBSIDE PUBLICITY**

A report from the Kerbside Publicity Campaign Co-ordinator was considered by the Board at its meeting earlier in the day. The information was **received**.

#### **4.5 MEETING DATES FOR 1999**

The Board **received** a schedule of meeting dates for 1999.

#### **4.6 SPECIAL COMMITTEE**

The Board meeting had been advised that a report from the City Services Committee, advocating the re-establishment of the Recovered Materials Special Committee, was to be considered by the Christchurch City Council at its meeting on 10 December 1998. The information was **received**.

#### **4.7 KPMG RECOMMENDATIONS AND RESERVES**

The Board had received a letter from KPMG, which outlined an opinion on an appropriate level of retained earnings for the Recovered Materials Foundation. The Board, at its meeting on 9 December 1998, **resolved**:

1. Because of the significant risk of fluctuations in operational cashflows, the following action be taken:

- budgeted revenue from projects be actually generated;
- additional funding be sought;
- present outflow of funds be reduced;
- a combination of the above

so that for the 1999 financial year, the possible shortfall of up to \$102,000 is covered.

#### **4.7 Cont'd**

2. A core capital base of \$450,000 be targeted to be achieved over the next two years, ie by 30 June 2000, by setting aside approximately \$112,000 per annum, to an accumulating income reserve.
3. An additional capital base maintenance reserve of 2% of the previous year's capital balance be set up to protect the purchasing power of the RMF.