

TARANAKI ELECTRICITY TRUST

MINUTES OF A MEETING OF TRUSTEES HELD AT STRATFORD DISTRICT COUNCIL, STRATFORD ON WEDNESDAY 2 NOVEMBER 2011 AT 9.30AM.

Present

Mr Jeffares, (Chairman), Mrs Stephens, and Messrs Mathieson, Bedford, Campbell & Waite.

Apologies

An apology was received from Mr Davey.

Education Grants

Mr Campbell had reviewed the expenditure the schools had made over the past year from the Principal's grant. There were a number of examples of expenditure which were considered inappropriate, including: website, polo shirts for teachers, furniture in library, director's fees on a production, Teacher development.

It was resolved that a letter be sent to all the schools advising that expenditure such as that listed above is not considered appropriate and that if funds were not spent appropriately this year this will affect next year's funding.

Bedford/Mathieson

Applications Over \$100,000

WISE

It was resolved that a further grant of \$100,000 be approved for retrofitting of houses in the TET area.

Bedford/Stephens

It was agreed that all other applications over \$100,000 be deferred until after the meeting with TSB Community Trust.

General Business

Age Care Central

The review prepared by Jamie Sutherland of Busing Russell indicated that the original figures prepared by Age Care Central were too optimistic on occupancy levels and had been revised down. From the review details it appeared that a grant would still be required in the short term to cover deficits. But in the longer term the results indicated that Age Care would be profitable as well as providing TET Holdings with a return on the extra investment by way of increased lease.

It was resolved that TET provide funding through TET Holdings Ltd of up to \$3.2m (including professional fees) on proposed alterations including building a dementia unit, this being the maximum amount and in addition to the \$200,000 already approved.

Jeffares/Campbell

It was resolved that John Campbell be appointed as TET Holdings Ltd representative to oversee the project if it goes ahead.

Stephens/Bedford

It was agreed that a letter be sent from TET Holdings Ltd to Age Care Central setting out the following:

1. That the project be put out to competitive tender
2. That funding of up to \$3.2m be made available, in addition to the earlier amount approved of \$200,000 for upgrading the rest home. The \$3.2m was the maximum amount to be spent and included all professional fees.
3. Funding would be provided through TET Holdings Ltd and all contracts and invoices must be in the name of TET Holdings Ltd.
4. That John Campbell has been appointed as TET and TET Holdings Ltd representative to oversee the project.
5. That the lease payment to TET Holdings Ltd would be increased as soon as the dementia unit was operational.
6. That approval would be required from Age Care Central and Marire as the other shareholder for an increase in lease, expected initially to be 5% of the amount invested.

Remuneration

Mr Jeffares advised that he had had a discussion with Brian Busing and he would soon be coming back with his recommendation. This would show an increase but also a much larger differential between the Chairman and other Trustees.

Mr Campbell left the meeting at 10.45am

Central Taranaki Youth Development Trust Stratford Community Sports Soc

4 representatives of these organisations attended the meeting at 10.45am and outlined their plans for building of facilities at the TET Multi Sports Stadium. There were joint requirements. SDC has granted funds provided certain conditions were met.

The representatives left the meeting at 11.30am

The meeting closed at 11.40am

Confirmed

Chairman



16/11/11