



KEMPSEY
Shire Council

DIRECTOR CORPORATE SERVICES REPORT

12th September 2006

DCS15	LOANS – HAT HEAD HOLIDAY PARK FILE: 314 SJR
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SUMMARY:

Reporting on an offer of loan funds from the Caravan Park Levy Committee.



DESCRIPTION:

Council resolved on 11 April 2006 to make application to the Caravan Park Levy Committee for loan funds for Hat Head Holiday Park for the upgrading of services and infrastructure including water, roads and electricity.

The Minister for Lands has now formally offered the loan for seven years with interest at 3.5% per annum.

Conditions attached to the loan require:-

1. acceptance of the offer within one month of the date of the offer, and
2. the completion of the project within twelve months.

REPORT IMPLICATIONS:

- *Environmental*

Nil

- *Social*

Nil

- *Economic (Financial)*

Repayment of the loan is self-funded from the Holiday Parks budget. The repayment of the loan will add 0.1% to the Net Debt Service Ratio.

- *Policy or Statutory*

Acceptance of the loan offer is in accordance with 2006/07 Budget provisions.

- *Directors Review*

The Recommendation is supported.

RECOMMENDATION:

1. That Council accept the Minister for Lands offer of loan funding from the Caravan Park Levy Committee of \$135,000 over 7 years at an interest rate of 3.5% pa.
2. That Council authorise the affixing of the Seal to any documents relating to the raising of the above loans from the Caravan Park Levy Committee

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G B Snape
DIRECTOR CORPORATE SERVICES