

The regular meeting of the Finance and Administration Committee was held this evening with Deputy Mayor Scott in the Chair and all members in attendance with the exception of Councillor Levasseur and Councillor Lafreniere. Staff members present were Terry Lapierre, CAO; Bob Spadoni, Treasurer; Dave Unrau, Manager - Works, Engineering & Utilities and Susan Ellis, Coordinator – Economic Development, Recreation & tourism.

MOTION: Moved by Councillor Henderson, seconded by Councillor White THAT the minutes of the meeting of December 1, 2004 be accepted as circulated.
CARRIED.

ITEM #1 LATE PAYMENT CHARGES ON OUTSTANDING TAXES

Mr. Spadoni presented his survey on interest and penalty rates on taxes charged by other municipalities. Mr. Spadoni recommended that the City interest and penalty rate remain the same at 12.5% per annum.

Committee members felt that if the interest rate was lower City taxpayers may be encouraged to pay their taxes in a more timely fashion.

MOTION: Moved by Councillor O'Neill, seconded by Councillor White that the penalty charge be adjusted to reflect the bank prime rate plus 2%.
MOTION WITHDRAWN.

Discussion was held if the rate should be from the Bank of Montreal and should it be in accordance with mortgage rates?

MOTION: Moved by Councillor White, seconded by Councillor Lowe THAT the penalty charge on taxes be adjusted to reflect the Bank of Montreal residential 10 year mortgage rate + 3%. This rate is to be established in early January for the year.
CARRIED.

ITEM #2 2005 BUDGETS – WATERWORKS AND POLLUTION CONTROL

Deputy Mayor Scott reviewed the report for Committee members. It was noted that the residential increase for the year for water & sewer rates was \$11.00 per household.

Deputy Mayor Scott highlighted the reserves and said the plant reserves will drop quickly with the outstanding projects.

MOTION: Moved by Councillor O'Neill, seconded by Councillor Henderson THAT the water and sewer rates will reflect an increase of 2.5% effective January 1, 2005.
CARRIED.

ITEM #3 ANNUAL INSURANCE RENEWAL

Mr. Spadoni reviewed the 2005 insurance renewal. He pointed out that this is the lowest increase in insurance rates that the City has seen in a number of years.

MOTION: Moved by Councillor White, seconded by Councillor Lowe THAT the Insurance package be accepted as presented by Frank Cowan Company Limited at cost of \$199,007, an increase of 1.9%. CARRIED.

The meeting adjourned on motion of Councillor Lowe and seconded by Councillor O'Neill. CARRIED.