

# Highlights of Finance Committee Meeting,

## December 17, 2009

### Items of interest.

- The town will provide and RFP for financing its portion of the STP. (See page 72 of agenda.)
- The Great West Life insurance policy for the town employees has risen by \$14,000. It appears the staff is heavily using the medical and dental benefits.
- The staff has not yet pared down their budget demands to get to Council's target. It is a work in progress.
- As I mentioned in a previous report, Ontario's financial indicators for MM shows that its debt is far above the average and its reserves are below the average.
  - That is, we spent too much and don't save enough. Staff was asked to project debt growth into the future. She has on page 115 but she has "modified" the numbers to not include water and sewage or the industrial park—the reasoning is these debts are not paid by taxes. (Is rationale rubbish?). In 116-118 the capital projects are listed that are likely to add to debt, including \$700+ K for the arena but not the STP. Pages 121-132 lists all the municipalities the Ont. Gov. compares MM to.
- The new power station will be about 2 months late coming online due to several factors. The penalty clause has kicked in.
  - The final price is \$18.4 million—an over run caused by higher steel prices and regulatory delays. They have negotiated a higher power rate—the old plant got 4 cent per kwh and the new will get 11 cents plus a small bonus during peak hours. The plant will provide Almonte (not MM) with \$143,000 a year.
- The councillors are getting a 3% raise. It will bring their pay to about \$12,500. Woo-hoo!