

RURAL MUNICIPALITY OF MORRIS

Minutes of a meeting of the R.M. of Morris Finance Committee held on Thursday, February 23rd, 2006 commencing at 9:00 a.m. Councillor Neumann, Reeve Martens, and Councillor Groening were present with Councillor Sieg Neumann in the chair.

The committee agreed to recommend the following policy for account receivable collections:

- Interest would be charged at 1% per month.
 1. The bill would be issued.
 2. In 30 days, a statement would be sent.
 3. In 60 days, a letter would be sent advising that this was the second notice, and that if payment is not made then further action will be taken. This letter should also include a clause that if there are any problems to contact the municipal office as soon as possible.
 4. In 90 days, the bill would be added to property taxes or would be referred to Council if property taxes were not available.

The committee also decided to recommend the following collection action for water bills:

- All accounts would be charged interest at 1% per month.
 1. The bill would be issued.
 2. In 30 days, a reminder statement would be sent.
 3. In 60 days, a serious letter would be sent similar to the account receivable letter.
 4. In 90 days, the account would be added to the property tax roll.

The committee will also recommend that if accounts receivable, either general or water, cannot be added to taxes, then the 90 day letter will include a clause that this account will be referred to the credit reporting agency. Any accounts that cannot be added to taxes because of a tenant or a person who is no longer in the municipality would be referred to Council for further action.

The committee reviewed the entire draft year-end financial statements and made the following recommendations:

1. The CAO to transfer \$200,000.00 from the Rural Water account to the General Fund, with \$60,000.00 being transferred to the General Reserve account.
2. The CAO was instructed to correct the posting of the Green Team grant.
3. The CAO was instructed to correct the posting of the AMM annual fees.
4. The CAO was instructed to check the posting for the Sperling sidewalks.
5. The CAO was instructed to check the posting of the brochures.
6. The CAO was requested to transfer \$70,000.00 from Economic Development to Contribution to Capital.
7. The CAO was requested to transfer the amounts for computer software.

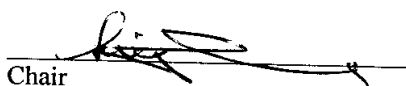
The entire committee then reviewed a proposed budget for 2006, and asked the CAO to insert appropriate figures and calculate a mill rate. This will then be referred to Council at their regular meeting on March 8th.

The committee also made the following recommendations for the Utility and LUD financial statements:

1. The Rosenort Utility should transfer \$5,000.00 to the Utility Reserve.
2. Rosenort Utility should apply for a rate increase based on the rate increase from Pembina Valley.
3. Rural Utility should transfer \$30,000.00 to a Rural Utility Reserve.
4. In the Sperling Utility, \$2,000.00 should be transferred from the General Fund to Account for Travel Expenses.
5. In the Sperling Utility, the administration should be reduced for 2005.
6. The CAO was requested to look into splitting the water works persons salary costs per customer.
7. The CAO was requested to check on the Sperling tank clean-out.
8. In the LUD of Rosenort financial statement, the Industrial Park costs should be recorded as Contribution to Capital.

There being no further business the meeting was then adjourned at 2:30 p.m.

Chair



CAO

