



City of Richmond

Report to Committee

To: Finance Committee

Date: March 27, 2008

From: Jerry Chong
Director, Finance

File: 03-0900-00/Vol 01

Re: Latecomer Payment Interest Rate Bylaw Amendment

Staff Recommendation

That Excess or Extended Services and Latecomer Payment Interest Rate Establishment Amendment Bylaw No. 8362 be introduced and given first, second, and third readings.

Jerry Chong
Director, Finance
(604-276-4064)

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ROUTED TO:		CONCURRENCE		CONCURRENCE OF GENERAL MANAGER	
Law.....		MCS..... Y <input checked="" type="checkbox"/> N <input type="checkbox"/>			
REVIEWED BY TAG		YES	NO	REVIEWED BY CAO	
		<input checked="" type="checkbox"/>	<input type="checkbox"/>	YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	

March 27, 2008

Staff Report

Origin

Staff have reviewed section 1 of Bylaw No. 6936 Excess or Extended Services And Latecomer Payment Interest Rate Establishment and wish to bring forward an amendment to reflect up to date information related to financial institutions in Canada.

Analysis

The current rate of interest as stated in the Bylaw is equivalent to the rate for a ten-year mortgage; on the date such excess or extended services are completed, as established by the financial institution with which the City deals. The ten year mortgage rate is no longer something that is commonly found amongst most of the financial institutions in Canada. Accordingly staff is recommending that a stated rate of 10% be utilized. This rate has been arrived at in consultation with Lidstone Young Anderson.

Financial Impact

None

Conclusion

Due to the unavailability of ten year mortgage rates in most financial institutions, staff recommend an amendment to Bylaw 6936 to include a fixed rate of 10%.



Jerry Chong
Director, Finance
(604-276-4064)

JC:jc



Excess or Extended Services and Latecomer Payment Interest Rate Establishment Bylaw No 6936, Amendment Bylaw No 8362

The Council of the City of Richmond enacts as follows:

1. Excess or Extended Services and latecomer Payment Interest Rate Establishment Bylaw No. 6936, as amended, is further amended in section 1 by deleting the words "the rate of interest equivalent to the rate for a ten year mortgage, on the date such excess or extended services are completed, as established by the financial institution with which the City deals" and substituting "interest at the rate of ten per cent per annum".
2. This Bylaw is cited as "**Excess Or Extended Services And Latecomer Payment Interest Rate Establishment Amendment Bylaw No 8362**".

FIRST READING

SECOND READING

THIRD READING

ADOPTED

CITY OF RICHMOND
APPROVED for content by originating dept.
APPROVED for legality by Solicitor
<i>WCB</i>

MAYOR

CORPORATE OFFICER