

Western Region Community Council
February 28, 2011

TO: Chair and Members of Western Region Community Council



SUBMITTED BY: _____
Cathie O'Toole, CGA, Director, Finance

DATE: February 7, 2011

SUBJECT: Revision to Catchment Area for Hammonds Plains Common Area Rate

ORIGIN

On November 4, 2010, North West Community Council approved the following motion:

1. *Remove the properties within the Waterstone Neighbourhood Association and the Timber Trails Mobile Home Park, including any impacted properties on the Lucasville Road, from the Hammonds Plains (Common) Area Rate; and*
2. *Direct staff to prepare a report to provide clarification respecting the breakdown of the Hammonds Plains Area Rate.*

RECOMMENDATION

It is recommended that Western Region Community Council recommend to Regional Council that:

1. Effective April 1, 2010, the catchment area for the Hammonds Plains Common Area Rate be changed to exclude all properties in District 19 with the exception of those properties in the neighbourhood of Kingswood North; and
2. Credit back to the tax accounts of the owners of all properties to be removed from the catchment area the amount of property taxes paid for this area rate in fiscal 2010-11.

BACKGROUND

The Hammonds Plains Common Area Rate has existed since prior to municipal amalgamation in 1996. The rate has been set at \$0.005 per \$100 of taxable residential and resource assessment since at least 1998. The funding is used to provide recreational amenities and supplies to organized groups within the community of Hammonds Plains. The disbursement of funds to these groups is approved by motion of Western Region Community Council. Following the redistribution of the HRM district boundaries in 2008, part of the community of Hammonds Plains fell within District 19. Since District 19 is part of the North West Community Council, approval of disbursement of funds from the area rate to groups within the section of Hammonds Plains located in District 19 requires approval by motion from both the Western Region Community Council and the North West Community Council. The Hammonds Plains neighbourhoods which are in District 19 include Kingswood North, Waterstone, the Timber Trails Mobile Home Park, and the community of Lucasville.

DISCUSSION

At its meeting on November 4, 2010, North West Community Council (NWCC) approved a motion to remove the properties within Waterstone, the Timber Trails Mobile Home Park, and on Lucasville Road, from paying the Hammonds Plains Common Area Rate. NWCC also requested a report to clarify the breakdown of the area rate. The report, a copy of which is included here as Appendix A, was provided to NWCC at its meeting on January 27, 2011.

In the report, Staff provided a comparison of the area rate taxes paid by the properties proposed to be excluded from the area rate to the funds which had been disbursed from the area rate for the benefit of those properties. Accounting records indicated that from January 1999, when the first lots in Waterstone were approved, to March 31, 2010, the properties in this neighbourhood had contributed about this same amount to this area rate as their Association had obtained on their behalf. Details of funds collected and disbursed from the Hammonds Plains Common Area Rate for the Waterstone Neighbourhood are provided in the table on page 3 of the staff report in Appendix A.

For this reason, Councillor Johns has requested that the revision of the catchment area be made retroactive to April 1, 2010.

Staff were unable to find any indication in the accounting records that the other neighbourhoods in District 19 paying the area rate had ever received any benefit from it. Therefore it appears that the area rate fund has benefited on a net basis from the inclusion of these neighbourhoods in the catchment area.

Although in District 19, it is proposed that Kingswood North remain in the catchment area because of its proximity to Hammonds Plains Road and to the other neighbourhoods in Kingswood which will continue to pay the area rate. This was discussed and clarified with

Councillor Johns. The current catchment area and the proposed revised catchment area for this area rate are attached to this report as Appendices B and C respectively.

If Regional Council approves this change retroactive to April 1, 2010, the owners of all properties to be removed from the catchment area will receive credits to their tax accounts based on what they paid towards this area rate in 2010-11. Because of the small amount of the credits (average of about \$6 per property), no refund cheques will be issued.

BUDGET IMPLICATIONS

For 2010-11, the refund of the area rate revenue collected from the properties proposed to be excluded from the catchment area will total approximately \$3,600. To December 31, 2010, the cost centre for this area rate (C170) had a year-to-date surplus of \$56,669. There was also \$62,242 in prior years accumulated surplus in the balance sheet account (HROP-3443) for this area rate. This provides ample capacity to refund contributions without drawing down on the current year budget for this area rate.

Since there is no transfer from the General Tax rate to the cost centre for this area rate, there is no net impact on the Approved 2010-11 Operating or Project Budget.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

The proposed change to the catchment area for this area rate was discussed at a meeting of the North West Community Council on November 4, 2010. Members of the public were present at that meeting and participated in the discussion.

ALTERNATIVES

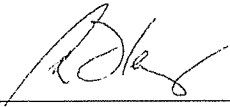
Western Region Community Council could (1) refuse to recommend to Regional Council the change proposed in the catchment area for the area rate, (2) propose changing the boundaries for the catchment area in a manner different from what is being proposed in this report, or (3) defer a decision pending receipt of additional information.

ATTACHMENTS

- Appendix A: North West Community Council Information Report dated January 19, 2011
- Appendix B: Map of Current Catchment Area for Hammonds Plains Common Area Rate
- Appendix C: Map of Proposed Revised Catchment Area for Hammonds Plains Common Area Rate

A copy of this report can be obtained online at <http://www.halifax.ca/commcoun/cc.html> then choose the appropriate Community Council and meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by : Gordon Roussel, Senior Financial Consultant, Finance 490-6468

Report Approved by: 
Paul Fleming, Manager, Budget & Financial Analysis 490-7203

Attach. A



P.O. Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Item No.
North West Community Council
January 27, 2011

TO: Chair and Members of North West Community Council

A handwritten signature in cursive script that reads "Jen Zell".

SUBMITTED BY: _____
For Cathie O'Toole, BA, CGA, MBA, Director of Finance/CFO

DATE: January 19, 2011

SUBJECT: **Hammonds Plains Common Area Rate**

INFORMATION REPORT

ORIGIN

On November 4, 2010, North West Community Council approved the following motion:

1. *Remove the properties within the Waterstone Neighbourhood Association and the Timber Trails Mobile Home Park, including any impacted properties on the Lucasville Road, from the Hammonds Plains Area Rate; and*
2. *Direct staff to prepare a report to provide clarification respecting the breakdown of the Hammonds Plains Area Rate.*

BACKGROUND

The Hammonds Plains Common Area Rate has existed since prior to municipal amalgamation in 1996. The rate has been set at \$0.005 per \$100 of taxable residential and resource assessment since at least 1998. The funding is used to provide recreational amenities and supplies to organized groups within the community of Hammonds Plains. The disbursement of funds to these groups is approved by motion of Western Region Community Council. Following the redistribution of the HRM district boundaries in 2008, part of the community of Hammonds Plains fell within District 19. Since District 19 is part of the North West Community Council, approval of disbursement of funds from the area rate to groups within the section of Hammonds Plains located in District 19 requires approval by motion from both the Western Region Community Council and the North West Community Council. The Hammonds Plains neighbourhoods which are in District 19 include Waterstone, the Timber Trails Mobile Home Park, and Lucasville.

DISCUSSION

At its meeting on November 4, 2010, North West Community Council requested information on the amount of revenue obtained in 2009-10 and 2010-11 from properties in District 19 for the Hammonds Plains Common Area Rate. A further breakdown of this information was also requested for Waterstone, the Timber Trails Mobile Home Park, and Lucasville. The details of this review are provided in the following table:

	2009-10	2010-11	Total
Waterstone	\$ 2,021.41	\$ 2,141.24	\$ 4,162.65
Timber Trails Mobile Home Park	599.38	626.46	1,225.84
Lucasville Road area	867.26	835.55	1,702.81
Reminder of Hammonds Plains within District 19	1,145.07	1,405.10	2,550.17
Totals:	\$ 4,633.12	\$ 5,008.35	\$ 9,641.47

Following is a list of disbursements to the Waterstone Neighbourhood Association from the Hammonds Plains Common Area rate. Staff were unable to find any indication of disbursements from this area rate to other parts of District 19.

Fiscal Year	Description	Vendor	Amount
2008/09	Landscaping	Humphrey's Landscaping	\$ 2,368.52
2008/09	Rose bushes	Blomidon Nurseries	578.17
2009/10	Playground	Waterstone Neighbourhood Association	8,037.12
		Total:	\$ 10,983.81

The following table provides a year-by-year comparison of the area rate revenue collected from the Waterstone neighbourhood since the first lots were approved in the subdivision in January 1999, along with funds disbursed from the area rate for projects in the neighbourhood. It shows that as of March 31, 2010, at least \$63 more in funds had been spent from the area rate account for the benefit of Waterstone than had been collected in area rate revenue since the neighbourhood was first established. However, since that date, area rate revenue collected now exceeds funds disbursed to the neighbourhood by \$2,078.

Funds Collected & Disbursed from the Hammonds Plains
 Common Area Rate for Waterstone Neighbourhood

Fiscal Year	Area Rate Revenue	Expenses	Cumulative Balance
99-2000*	\$ 195	\$ 0	\$ 195
2000-01	\$ 195	\$ 0	\$ 390
2001-02	\$ 363	\$ 0	\$ 753
2002-03	\$ 556	\$ 0	\$ 1,308
2003-04	\$ 774	\$ 0	\$ 2,082
2004-05	\$ 1,018	\$ 0	\$ 3,100
2005-06	\$ 1,217	\$ 0	\$ 4,317
2006-07	\$ 1,371	\$ 0	\$ 5,688
2007-08	\$ 1,458	\$ 0	\$ 7,146
2008-09	\$ 1,754	\$ 2,947	\$ 5,953
2009-10	\$ 2,021	\$ 8,037	(\$ 63)
2010-11	\$ 2,141	\$ 0	\$ 2,078
Totals to Date:	\$13,062	\$10,984	\$ 2,078

* 99-2000 revenue is not known, so 2000-01 figure was used. The correct revenue for 99-2000 is likely lower.

Staff advises that any recommendation to change the catchment area for the Hammonds Plains Common Area Rate should have the support of the Western Region Community Council before proceeding to Regional Council for approval.

Staff also advise that if the intent is to remove all properties in District 19 from the catchment area for the Hammonds Plains Common Area Rate, the wording of the motion approved by North West Community Council on November 4, 2010 does not achieve that intent. That is because Gatehouse Run and streets adjoining to it would still be included in the catchment area.

BUDGET IMPLICATIONS

A total prior years accumulated surplus of \$62,242 is currently posted to the balance sheet account for this area rate. This provides some capacity to refund contributions without drawing down on the current year budget for this area rate.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

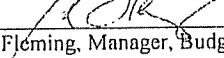
There was no community consultation conducted.

ATTACHMENTS

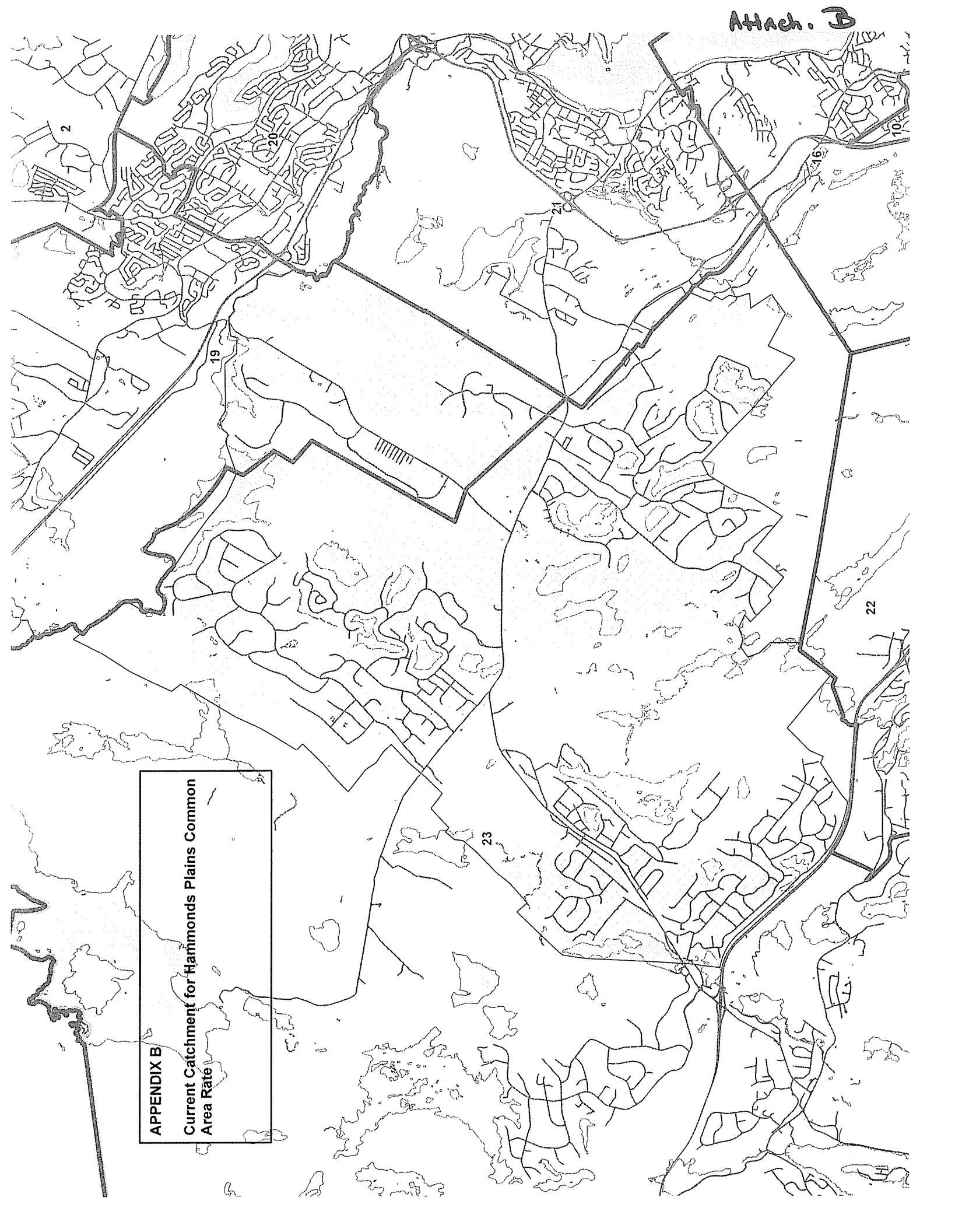
None

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Gordon Roussel, Senior Financial Consultant, Finance 490-6468

Report Approved by: 
Paul Fleming, Manager, Budget & Financial Analysis 490-7203

APPENDIX B
Current Catchment for Hammonds Plains Common
Area Rate



APPENDIX C
Proposed Revised Catchment for Hammonds
Plains Common Area Rate

