

2.3



PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

Marine Drive, Valley & Canal Community Council

~~May 27, 2008~~
June 5, 2008

TO: Chair and Members of Marine Drive, Valley & Canal Community Council

SUBMITTED BY: *S. Dale MacLennan*
S. Dale MacLennan, CA, Director, Finance

DATE: May 15, 2008

SUBJECT: Increase to Uniform Charge for Silversides Residents Association

ORIGIN

Request from the Silversides Residents Association to increase their annual uniform charge from \$60 to \$100 per property for all properties within the Silversides subdivision.

RECOMMENDATION

It is recommended that Marine Drive, Valley & Canal Community Council:

- 1. Recommend to Regional Council that effective with the 2008/09 fiscal year, the annual uniform charge for the Silversides Residents Association be increased from \$60 to \$100 per property for all properties within the Silversides subdivision as depicted in the map included as Appendix A to this report.**

BACKGROUND

On May 27, 2003, Regional Council approved a uniform charge of \$60 to be applied against the properties within the Silversides subdivision as shown in the mapped area included as Appendix A of this report effective for the 2003/04 fiscal year. The purpose of the uniform charge was to enable the Silversides Residents Association to develop parkland and other recreational amenities with the subdivision. The Silversides Residents Association has been registered with the Registry of Joint Stock Companies since 1975.

The Residents Association has determined that the current uniform charge is insufficient to fund repairs required to the beach retaining wall and remediation work required to the park. They believe that without an increase to the uniform charge, the beach and the park will continue to deteriorate with the possibility that the retaining wall would become unsafe and the beach would have to be closed.

An attempt by the Association in March 2007 to increase the uniform charge from \$60 to \$120 was turned down by the property owners by just two votes (51 to 49).

DISCUSSION

The current status of this uniform charge in terms of the Interim Area Rate Guidelines is as follows:

- 1. Area rates can only be used for the provision of services within the municipal mandate; services traditionally provided by the municipality.***

Section 65 (ag) of the Municipal Government Act states that “Council may expend money required by the municipality for playgrounds, trails, bicycle paths, swimming pools, ice arenas and other recreational facilities.” The Halifax Regional Municipality and its predecessor municipal units have traditionally funded, either entirely or partially through partnerships, the construction and ongoing operating costs of recreation facilities.

- 2. Area rates are not to be used to provide different levels of a municipal service within urban and suburban areas where said service is covered by the general tax rate.***

Silversides is located within the suburban area of HRM. However, the Silversides Residents Association is not duplicating any services provided directly by HRM to the Silversides subdivision.

- 3. In order for a proposed new area rate to move to the process as outlined in #4 below, it must have the support of the area's Councillor(s).***

The catchment area for this uniform charge falls entirely within District 2. The Councillor for the District, Krista Snow, conducted a vote of all owners of property within the Silversides subdivision in April 2008 to determine if there was support from a majority of the property owners for the increase to the uniform charge. The results of the vote are indicated below. Having determined that

sufficient support existed, she has requested staff prepare a report in compliance with Step 5 of the Interim Area Rate Guidelines for consideration at the next meeting of the Marine Drive, Valley & Canal Community Council.

- 4. Proposals for new area rates must be advertised publicly, clearly identifying affected areas, the purpose for the rate, rate information and the duration the rate is expected to be charged. A public meeting will be held and those attending the meeting will be informed of the rationale for the rate and consulted on its appropriateness.***

An information package including a ballot was mailed to the owners of all 164 taxable properties identified within the proposed catchment area. A map of the proposed catchment area is provided in Appendix A of this report, and a copy of the information package is provided in Appendix B. The information package included details of the purpose and amount of the uniform charge, and the date, time and location of a public information meeting which was held on April 24, 2008. The results of the ballot are shown below.

Tabulation of Ballots

Total For Uniform charge:	42
Total Against Uniform charge:	36
Total Returned:	78
Total Ballots:	164
% Respondents voting For:	53.8%
% Respondents voting Against:	46.2%
Response Rate:	47.6%

- 5. With the concurrence of the Councillor, the request is forwarded to the Community Council for review and a recommendation to Halifax Regional Council. Where a Community Council does not exist, the request will go directly to Halifax Regional Council.***

The purpose of this report is to provide the Marine Drive, Valley & Canal Community Council with the necessary information required to consider making a recommendation to Halifax Regional Council for increasing the uniform charge for the Silversides Residents Association. The implications to the Municipality are identified under the Budget Implications section which follows.

- 6. Any proposed new area rates recommended by a Community Council (or, in the absence of a Community Council, the Councillor for the area) will be submitted to Halifax Regional Council through a staff report with a recommendation from the Chief Administrative Officer. The staff report will identify the implications to the Municipality along with the results of any public meeting.***
- 7. Halifax Regional Council is responsible for approving all area rates.***

Completion of steps 6 and 7 are contingent on the Marine Drive, Valley & Canal Community Council approving the Recommendation contained in this report.

BUDGET IMPLICATIONS

The increase to the uniform charge would take effect in the 2008/09 fiscal year. As all funding is from the uniform charge (ie. no transfers from the general tax rate), there would be no impact on the HRM General Operating Budget at any time in the future. There is also no impact on the Capital or Reserve Budgets.

The uniform charge of \$100 per property is based on the 2008/09 operating budget of \$16,400, divided by the number of properties in the catchment area, which is 164. Details of the proposed 2008/09 Business Plan and Budget are provided in Appendix C.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

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

ALTERNATIVES

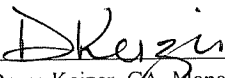
Community Council could choose not to increase the uniform charge. This is not recommended as the majority of respondents are in favour of the increase. The increase is also necessary to ensure sufficient funding is available to prevent further deterioration of the beach and park.

ATTACHMENTS

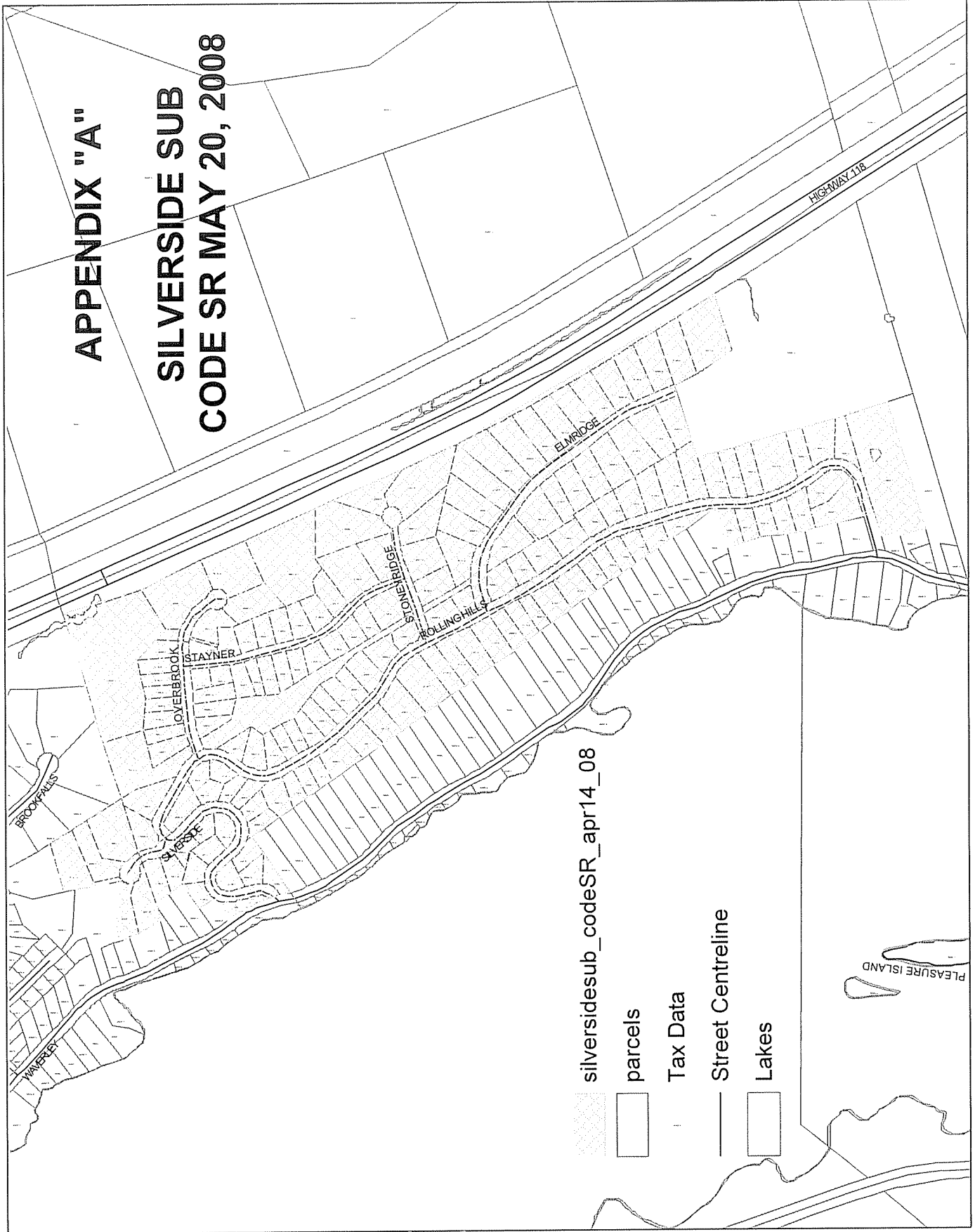
- Appendix A: Catchment Area Map for Silversides Uniform Charge
- Appendix B: Copy of Ballot and Information Package mailed to Property Owners
- Appendix C: Proposed Business Plan and Budget for 2008/09 Fiscal Year

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/agenda.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, Financial Consultant 490-6468

Report Approved by: 
Dawn Keizer, CA, Manager, Budget & Financial Analysis 490-7203

APPENDIX "A"
SILVERSIDE SUB
CODE SR MAY 20, 2008



silversidesub_codesSR_apr14_08

parcels

Tax Data

Street Centreline

Lakes

AREA TAX RATE BALLOT

April 14, 2008

FIELD(OWNER)
FIELD(ADDRESS2)
FIELD(ADDRESS3) FIELD(PC)

Assessment # FIELD(AAN)
FIELD(LOCATION)

Dear Property Owner:

Since 2003, owners of property within the Silversides subdivision in Waverley have paid an area rate of \$60 each year on their property tax bills to assist with funding the activities of the Silversides Residents' Association.

The Association is now proposing that this area rate be increased to \$100 each year. On the reverse side of this letter are the Goals and Proposed Budget for 2008-09 if the area rate increase is approved. Also enclosed is correspondence from the Association Executive Committee explaining why this increase is required.

The Halifax Regional Municipality requires that all owners of property within the affected area be given the opportunity to vote for or against a proposed area rate increase. At the bottom of this letter is a ballot which you can complete, detach from the letter and mail in the enclosed self-addressed envelope. You may also fax the ballot to 490-5622.

To address any questions or concerns which you have, an information meeting will be held:

Thursday April 24, 2008 @ 7:00 p.m.
Waverley Heritage Museum
2463 Rocky Lake Drive, Waverley

Please note that all ballots must be received by May 5, 2008 (NO EXCEPTIONS!). So please allow adequate time for delivery if you are mailing. All owners of property in the Silversides subdivision will be advised of the results of the balloting.

-
- YES**, I am in favour of paying an annual area rate of \$100 on my property tax bill for the Silversides Residents' Association.
- NO**, I am NOT in favour of paying an annual area rate of \$100 on my property tax bill for the Silversides Residents' Association.

Assessment # FIELD(AAN)

NOTE: Only one vote per assessment number will be counted. Ballots with written-in, typed-in, or altered assessment numbers will not be accepted. If you need to replace a lost or damaged ballot, or if you have any questions regarding the process, please contact Gordon Roussel at 490-6468.

Siversides Residents Association

Goals for 2008-09

1. Upgrade of beach docks and floats
2. Save for improving beach retaining wall to reduce erosion from the lake
3. Provide a shelter at the beach for life guards
4. Replace storage lockers at the beach
5. Establish power to, and lighting for, beach area
6. Add swing set to park
7. Improve park land

Proposed Revenue Budget for 2008-09

Description of Revenue Sources	Amount (\$)
Cash on hand (not new revenue)	\$8,000
Grant from NS government	\$1,500
Swimming Lessons	\$2,000
Area Rate Revenue to be collected from Property Tax bills (dependent on vote to increase rate to \$100 per property):	\$16,300
Total Revenues:	\$27,800

Proposed Expenditure Budget for 2008-09

Description of Planned Expenditures	Amount (\$)
Lifeguard service at the beach	\$12,000
New docks*	\$5,000
General maintenance & Admin	\$1,290
Dock placement and removal	\$600
Insurance	\$750
New Swing set at park*	\$5,000
Shelter for lifeguards*	\$1,000
Capital fund for beach retaining wall & park remediation*	\$2,160
<i>* Dependent on Area Rate increase. Otherwise will need to reserve cash for emergencies and regular maintenance</i>	
Total Planned Expenditures (must equal total revenues):	\$27,800

Silversides Residents' Association

April 13, 2008

Dear Residents,

As discussed in 2007 the Residents' Association Executive has concluded that our finances cannot sustain current operations. Due to changes with government grants and municipal support, we are concerned that we will not have enough cash on hand to make much needed improvements at the beach and park. You told us that the proposed area rate increase in 2007 was too high, so you asked us to survey the residents.

We did, and the majority support an area rate increase, continued lifeguard services, and investment in improvements in the neighbourhood (such as landscaping at the entranceways). We want to balance the wishes of all residents, which means investing in capital improvements where it makes sense, and improving our neighbourhood where we can.

This letter asks you to vote on an area rate increase. We are proposing an increase of \$40 per year with a commitment that the executive will not ask for another increase for at least five years. Our ask is that you consider the longer term implications if this area rate increase does not occur.

This increase will enable us to save for major projects such as a retaining wall at the beach and field remediation at the park. If the rate is not increased, our beach and park will continue to deteriorate with no plan or saving for improvement.

Some of you asked if we could remove lifeguards from the beach, since this is our biggest expense. We have consulted with an insurance provider who has told us that removing lifeguard operations is not a good option. Our risk would be too high and we would not be insured.

The rate increase will allow us to maintain current services, plus save for general improvements in the future. We will discuss in detail our financial situation and strategic plan at the Annual General Meeting on April 24th at 7pm at the Waverley Heritage Museum on Rocky Lake Drive.

Please follow the voting instructions provided in this letter & meet the voting deadline. Results will be shared with residents and if not passed, a special meeting will be held to discuss the association's options for the future.

If you have any questions in regards to this proposal, please contact one of the following SRA board members:

Ian Andrew -- Chair	860-2587
Sean Hartwell -- Beach Committee Chair	860-3236
Rebecca Moore – Treasurer	860-3395

We look forward to our continued partnership, future success and enjoyment of our neighbourhood.

Kind regards,

Silversides Resident's Association Executive Committee

Appendix C
2008-09 Business Plan & Budget for

Name of Association or Society:	Silversides Resident's Association
Registry of Joint Stock Companies ID#:	1290142

	Primary Signing Authority	Secondary Signing Authority
Name & Title:	Rebecca Moore, Treasurer	Ian Andrew, President
Phone number:	902-860-3395	902-860-2587
Mailing Address:	195 Rolling Hills Drive Waverley, NS B2R 1B7	1 Overbrook Drive Waverley, NS

Business Plan & Budget approved at Annual General Meeting held on:	April 24, 2008
--	----------------

Mission and Description of Services Provided
(including who the services are provided to)

The Silversides Residents' Association develops financially sound recreational programs, services, and facilities that will help encourage a safe and active community with increased integration within the subdivision and the community at large. The services are provided to the residents of Silversides Subdivision.

Accomplishments

(What has your organization accomplished in the past year?)

- Provided regular maintenance and upkeep of the Silversides Beach (docks, ladders, beach surface etc.)
- Provided life guard service at the beach through the services contracted from HRM
- Provided regular maintenance and upkeep of the community park
- Some improvements to the park land
- Maintained tennis court and basketball court
- Surveyed residents for their input on where to focus on any planned capital improvements

Appendix C

Goals for 2008-09

(What does your organization plan to accomplish between April 1, 2008 and March 31, 2009)

1.	Upgrade of beach docks and floats
2.	Save for improving beach retaining wall to reduce erosion from the lake
3.	Provide a shelter at the beach for life guards
4.	Replace storage lockers at the beach
5.	Establish power to, and lighting for, beach area
6.	Add swing set to park
7.	Improve park land

Area Rate Information

Purpose of Area Rate:	The SRA Area Rate is used to pay for lifeguard services at the beach.
Will the Purpose <u>or</u> Amount of the Area Rate change in 2008/09?	The executive will be proposing an increase from \$60/year/property to \$100/year/property
If so, how and why has it changed, and have the majority of homeowners voted to approve the change?	We will put this to vote using HRM process once we host the AGM. Majority of home owners indicated they would support this on the survey.
2008/09 Area Rate will be:	Pending vote \$100.00/year
Area subject to Area Rate:	Silversides Residents only
Year Area Rate to Expire (if applicable):	N/A
Do you anticipate a surplus or a deficit at the end of this year (2007/08)? How much?	Area rate funds – deficit between \$100 and \$1,000, depending on swimming lesson revenue. (Actual 2007/08 year end deficit was \$73.) Other funding – dependent on success of area rate increase we have other cash on hand (\$8,000) that we can use for capital improvements, but we will use sparingly if area rate increase does not go through. We need to save for major beach repairs, such as the retaining wall.
If a surplus exists at the end of the fiscal year, how is it to be applied?	Capital improvements as described on the list above. Those are all dependent on area rate increase as we cannot deplete our cash reserves in one year.

Appendix C

Revenue Budget for 2008-09

Description of Revenue Source	Amount (\$)
Cash on hand (not new revenue)	\$8,000
Grant from NS government	\$1,500
Swimming Lessons	\$2,000
Area Rate Revenue to be collected from Property Tax bills (dependent on vote):	\$16,400
Total Revenues (must equal total expenditures):	\$27,900

Expenditure Budget for 2008-09

Description of Planned Expenditures	Amount (\$)
Lifeguard service at the beach	\$12,000
New docks*	\$5,000
General maintenance & Admin	\$1,390
Dock placement and removal	\$600
Insurance	\$750
New Swing set at park*	\$5,000
Shelter for lifeguards*	\$1,000
Capital fund for beach retaining wall & park remediation*	\$2,160
<i>* Dependent on Area Rate increase. Otherwise will need to reserve cash for emergencies and regular maintenance</i>	
Total Planned Expenditures (must equal total revenues):	\$27,900