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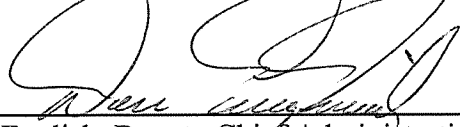


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**Halifax Regional Council**  
**July 6, 2004**

**TO:** Mayor Kelly and Members of Halifax Regional Council

**SUBMITTED BY:**   
George McLellan, Chief Administrative Officer

  
Dan English, Deputy Chief Administrative Officer

**DATE:** June 22, 2004

**SUBJECT:** 2004-05 Area Rates for Sidewalk Snowplowing

**ORIGIN**

On June 17, 2003, staff committed to Council to reviewing issues pertaining to the current service delivery model for sidewalk snowplowing, including the removal from the area rate of the cost of servicing sidewalks abutting HRM owned properties in the serviced area. Regional Council approved the majority of the 2004-05 Area Rates on June 8, 2004. The area rates for sidewalk snowplowing were deferred pending consultation with members of Council with respect to service delivery options. Staff have now determined that a report on the outcome of this consultation cannot be ready until August 2004. In any event, it is unlikely that any significant changes to the current service delivery model can be implemented before the upcoming winter. Therefore, it is necessary to proceed now with recommendation of the area rates for 2004-05 so that they can be included on the final tax billing.

**RECOMMENDATION**

**It is recommended that :**

- 1. For the 2004-05 Fiscal Year, that Sidewalk Snowplowing shall be set at the rate of \$0.016 to the residential, resource and commercial assessment, including business occupancy, for all areas which receive the service;**
- 2. the Prior Years Deficit for Sidewalk Snowplowing shall be set at the rate of \$0.003 to the residential, resource and commercial assessment, including business occupancy, for**

District 15; and \$0.005 to the residential, resource and commercial assessment, including business occupancy, for all other areas which receive the service excluding District 16;

3. The boundaries of the service areas to which the area rates referred to above are to be applied in 2004-05 will remain unchanged from 2003-04;
4. The cost of clearing sidewalks abutting HRM owned properties in the serviced area no longer be included in the area rate and instead be included in the general rate; and
5. Staff return to Council in August 2004 with recommendations for changes to the current service delivery model for implementation beginning in fiscal 2005-06.

**BACKGROUND**

On June 17, 2003, Council approved a common area rate for fiscal 2003-04 of \$0.015 to be implemented in all areas of the Municipality receiving sidewalk snowplowing service. This included Districts 15 and 16 (including the Linear Park but excluding Bayers Lake Business Park).

Council also approved recovery over a two year period of the deficits for this service accumulated to March 31, 2003. For District 15, the accumulated deficit was \$34,268 and for all other areas receiving the service, it was \$905,621. District 16 did not share in this deficit because that area did not begin receiving the service until 2003-04.

The resultant budget and area rates approved by Council for 2003-04 are outlined in the following table:

Sidewalk Snowplowing District	2003/04 Net Budget	Deficit	2003/04 Area Rate
All Districts receiving Service (including Districts 15 & 16)	\$1,588,400	N/A	<b>\$0.015</b>
District 15 (one-half of \$34,268 deficit recovered in 2003/04)	N/A	\$17,134	<b>\$0.003</b>
All Districts receiving Service (excluding Districts 15 & 16; one-half of \$905,621 deficit recovered in 2003/04)	N/A	\$452,811	<b>\$0.006</b>

Therefore, the total sidewalk snowplowing area rate was \$0.015 for District 16, \$0.018 for District 15, and \$0.021 for all other Districts receiving the service.

**DISCUSSION**

The common area rate for 2004-05 will increase by one-tenth of one cent to \$0.016 because of a \$347,843 deficit incurred during 2003-04 which is partial offset by a projected savings in 2004-05 of \$285,090 from transferring the cost of servicing sidewalks abutting HRM owned properties in the serviced area from the area rate to the general tax rate. Also, in order to recover the second half of the deficits accumulated to March 31, 2003, an additional area rate of \$0.003 will be applied to District 15, and an additional area rate of \$0.005 will be applied to all other areas which receive the service (with the exception of District 16). The budget and area rates proposed for 2004-05 are as follows:

<b>Sidewalk Snowplowing District</b>	<b>2004/05 Net Budget</b>	<b>Deficit</b>	<b>2004/05 Area Rate</b>
All Districts receiving Service (including Districts 15 & 16)	\$1,294,923	\$347,843	<b>\$0.016</b>
District 15 (second half of \$34,268 deficit to be recovered in 2004/05)	N/A	\$17,134	<b>\$0.003</b>
All Districts receiving Service (excluding Districts 15 & 16; second half of \$905,621 deficit to be recovered in 2004/05)	N/A	\$452,811	<b>\$0.005</b>

Therefore, the total proposed sidewalk snowplowing area rate is \$0.019 for District 15, \$0.016 for District 16, and \$0.021 for all other Districts receiving the service. A comparison of the total proposed area rates for 2004-05 to the previous year total rates is provided below:

<b>Sidewalk Snowplowing District</b>	<b>2003/04 Area Rates</b>	<b>2004/05 Area Rates</b>	<b>Change</b>
District 15	\$0.018	\$0.019	+ <b>\$0.001</b>
District 16	\$0.015	\$0.016	+ <b>\$0.001</b>
All other Districts receiving Service	\$0.021	\$0.021	<b>n/c</b>

The deficit accumulated prior to March 31, 2003 will be paid off during 2004-05. As a result, there will be only one area rate for sidewalk snowplowing commencing in 2005-06.

The boundaries of the service areas to which the area rates will be applied in 2004-05 will remain unchanged from 2003-04 even though the District boundaries will be revised as of November 2004.

At the June 17, 2003 meeting, Council indicated a desire to re-examine the service delivery model. Some of the possibilities which Council requested more information on at that time included

extending the service to the remainder of peninsular Halifax, extending the service throughout the Capital District, extending the service to include main arterials outside the current serviced area, and including the cost of the service in the general tax rate. In August 2004, staff will be coming forward with a report with several service delivery options for Council's consideration. The report will also include recommendations regarding service levels and the establishment of a reserve similar to the Snow and Ice Control Reserve.

### BUDGET IMPLICATIONS

In the past, clearing of HRM sidewalks abutting Municipality owned properties in the serviced area has been covered through the various area rates. During the past year, staff have been able to confirm the total number of kilometres of these sidewalks and have determined that the total annual cost of servicing them is about \$285,000. Therefore, effective 2004-05, this practice will be discontinued, and the cost of plowing these sidewalks will be included in the general operating budget. For 2004-05, the added cost to the general operating budget will be managed within the overall snow and ice clearing program. To the extent there is an impact on Public Works and Transportation operations, consideration will be given to using the Variable Operating Stabilization Reserve to off-set any expenditures in excess of the budget. Therefore, there would be no impact on the overall 2004-05 Operating Budget.

### FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

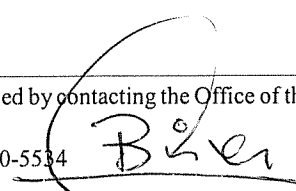
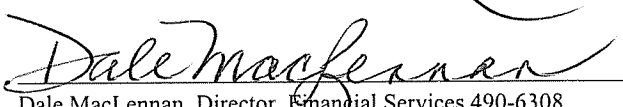
This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Capital and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation.

### ALTERNATIVES

Council may want to consider other service delivery options before approving area rates for sidewalk snowplowing. However, due to time constraints associated with preparation of the final tax billing, it is recommended that the area rates recommended in this report be approved and that staff return to Council with recommendations in August 2004. In any event, it is unlikely that any significant changes to service delivery could be implemented prior to the upcoming winter.

### ATTACHMENTS

None

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.	
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