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Halifax Regional Council
July 4, 2006

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Geri Kaiser, Acting Chief Administrative Officer

DATE: June 29, 2006

SUBJECT: Revised 2006-07 Area Rates for Community Transit

ORIGIN

On June 27, 2006, Regional Council approved the following amendments to 2006-07 Operating Budget:

1. That for the months of July and August HRM re-establish the Saturday Service for community based transit for Lake Echo/Porters Lake, via the designated transit rate for the area.
2. That noon hour transit service to the Hammonds Plains area be provided, and funded by area rate.

RECOMMENDATION

It is recommended that :

1. The 2006-07 area rate for the Lake Echo / Porter's Lake Community Transit service be set at \$0.028 per \$100 of residential and resource assessment within the approved catchment area for this service.
2. The 2006-07 area rate for the Hammonds Plains / Timberlea Community Transit service be set at \$0.005 per \$100 of residential and resource assessment within the approved catchment area for this service.

BACKGROUND

On June 27, 2006, Council approved the area rates for the Porter’s Lake/ Lake Echo Community Transit service and the Hammonds Plains/ Timberlea Community Transit Service as part of the 2006-07 Operating Budget. However, the area rates approved by Council for those services did not take into account the added cost of re-establishing Saturday service for the months of July and August for the Porter’s Lake/ Lake Echo Community Transit service, or the added cost of providing noon hour transit service to the Hammonds Plains area. Council directed that the added cost be funded from the area rates. Therefore, it is necessary to re-calculate those area rates based on the added cost of the enhanced services and obtain Council approval to implement them.

DISCUSSION

The increase in cost and the area rates is outlined in the following table:

Transit Service	Original Area Rate Revenue Required	Additional Area Rate Revenue Required	Revised Area Rate Revenue Required	Area Rates Approved June 27	Required Area Rates for Enhanced Service
Lake Echo/ Porter’s Lake	\$ 77,500	\$ 5,900	\$ 83,400	\$ 0.026	\$0.028
Hammonds Plns/ Timberlea	\$ 34,154	\$ 6,800	\$ 40,954	\$ 0.004	\$0.005

BUDGET IMPLICATIONS

In addition to area rate revenue, these services are also partially funded by transfers from the Rural General Rate and the Urban General Rate. The transfer from the Rural General Rate is intended to replace the area rate revenue that would have been obtained were the area rate applied to the commercial and business occupancy assessment. The transfer from the Urban General Rate is intended to replace the area rate revenue that would have been obtained were it possible to apply a transit area rate in the urban area. The service area for the Porter’s Lake/ Lake Echo Transit Service extends into the urban area. The table which follows provides details of the impact of the enhanced services on these transfers:

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Transit Service	Original Transfer from Rural General	Revised Transfer from Rural General	Added cost to Rural General	Original Transfer fr Urban General	Revised Transfer fr Urban General	Added cost to Urban General	Total Added cost to 2006/07 Operating Budget
Lake Echo/ Porter's Lake	\$ 9,900	\$ 10,600	\$ 700	\$ 3,900	\$ 4,300	\$ 400	\$ 1,100
Hammonds Plns/ Timberlea	\$ 1,700	\$ 2,100	\$ 400	\$ 0	\$ 0	\$ 0	\$ 400
Totals	\$11,600	\$12,700	\$1,100	\$3,900	\$ 4,300	\$ 400	\$ 1,500

Rather than increase the 2006-07 Approved Operating Budget by \$1,500, staff is recommending that this amount be absorbed within the Transit Services 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

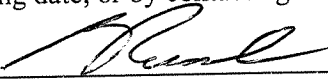
There are no recommended alternatives

ATTACHMENTS


None

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.

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