

## **LRB RESEARCH AND ANALYSIS**

**NOVEMBER 4, 2009 AGENDA ANALYSIS REVISED 11/02/09 ITEM 9, FILE 090260**

**FINANCE & PERSONNEL COMMITTEE**

**JAMES CARROLL**

File # 090260 is a proposed substitute resolution establishing the 2010 Snow and Ice Removal Charge.

### **Background**

1. On November 9, 2007 the Common Council established the 2008 Local Snow and Ice Removal Charge at \$0.4811 per foot of street frontage (File#070859). The 2008 estimated revenue for the charge is \$4.3 million. On September 12, 2008, the Common Council amended the rate from 0.4811 per foot of property frontage to \$0.6522 per foot (File #080483). The increase in the charge generated an additional \$1.8 million charge in 2008 revenues, for a total of \$6.3 million. The amended charge increased the impact on the owner of a property with 40 feet of frontage approximately \$6.85, from \$19.24 to \$26.09.
2. On November 7, 2008 the Common Council established the 2009 Local Snow and Ice Removal Charge at \$0.5283 per foot of street frontage (File#080779). On July 27, 2009, the Common Council adopted a substitute resolution amending the 2009 Local Snow and Ice Removal Charge for the express purpose of cancelling \$2.7 million of debt incurred due to 2008 snow and ice operations that exceeded budgeted amounts, which amended the charge to \$0.8156 per foot of street frontage.
3. The table on page 2 shows the amount of snow and the snow and ice control budgets and expenditures for 1998 through June 10, 2009.

Year	Funding		Inches of Snow
	Budget	Actual	
1998	6,011,324	4,149,443	43.3
1999	6,562,888	8,681,087	59.3
2000	6,423,219	10,727,038	89.9
2001	7,267,392	4,688,380	11.3
2002	7,731,934	3,682,140	39.8
2003	7,388,234	3,589,675	32.6
2004	5,990,847	4,649,565	39.5
2005	4,473,956	7,575,532	61.4
2006	4,923,626	3,873,753	31.8
2007	4,885,314	10,841,668	77.8
2008*	4,918,942	\$15,783,927	105.7
2009 to date	4,777,000	\$4,030,305	37.7

\*2008 actuals include \$1,088,559 in costs charged to FEMA grant

### **Discussion**

1. The 2010 proposed budget includes a revenue estimate that assumes Common Council adoption of a resolution establishing a Snow and Ice Control Charge of \$0.6917 per foot of property frontage, a reduction of \$0.1239 from the amended 2009 rate of \$0.8156 per foot of property frontage. It is estimated the 2010 charge will generate \$6.5 million in 2010.

### **Fiscal Impact**

The proposed substitute resolution establishes the 2010 Snow and Ice Control Fee at \$0.6917 per foot of property frontage. The impact of the amended charge on the owner of a property with 40 feet of frontage is approximately \$27.67 or \$4.95 less than the impact of the 2009 amended charge of \$32.62. If the Common Council does not adopt a Snow and Ice Control Charge amount necessary to generate the estimated revenue, the 2010 Budget will have to be adjusted accordingly, most likely through increasing the tax levy or a reduction in expenditures.

Cc: Marianne Walsh  
Mike Daun  
W. Martin Morics  
Mark Nicolini

Prepared by:  
Jim Carroll, X8679  
LRB Research & Analysis  
November 2, 2009