



City of Prince Albert

RPT 2025-148

TITLE: 2024 Snow Management Special Tax Surplus Allocation

DATE: March 21, 2025

TO: City Council

PUBLIC: X

INCAMERA:

RECOMMENDATION:

That the surplus revenue generated from the 2024 Snow Management Special Tax for year ending 2024 in the total amount of \$748,542.82 be credited to the Snow Management Reserve to reduce the Reserve deficit and create a Reserve surplus to fund future snow management costs.

EXECUTIVE SUMMARY:

The City has collected \$1,699,955.66 from the Snow Management Special Tax in 2024. The snow management costs for 2024 was \$951,412.84. The surplus generated from the Snow Management Special Tax in the total amount of \$748,542.82 is being recommended to be credited to the Snow Management Reserve to reduce the Reserve deficit and create a Reserve surplus to fund future snow management costs.

BACKGROUND:

A municipality may pass a special tax bylaw and Subsection 278(1) of the *Cities Act* provides that the use of the revenue raised by a special tax must be used for that specific service or purpose stated in the bylaw to be completed within the taxation year. Subsection 278(2) of the *Cities Act* then states that when there is excess revenue generated from the special tax (i.e. actual expenses are less than the actual revenue from the special tax), the City shall give public notice of the use to which it proposes to put the excess revenue. This requirement in subsection 278(2) will allow for transparency between the City and residents as to what their tax dollars are being used for.

In 2024, the attached Bylaw No. 3 of 2024 - Snow Management Special Tax to levy a special tax against all properties benefiting from snow management to be completed in the calendar year of 2024 was approved. The Bylaw included that the estimated cost for the purpose of service for snow management is \$1,682,850, pursuant to approved Budget.

PROPOSED APPROACH AND RATIONALE:

The 2024 snow management budget was approved in the total amount of **\$1,682,851** as follows:

2024 BUDGET	
Salaries Wages and Benefits	\$812,851
Fleet Expenses	\$573,900
Maintenance Materials Supplies	\$296,100
TOTAL SNOW 2024 BUDGET	\$1,682,851

The revenue generated in Year 2024 for the Snow Management Special Tax was **\$1,699,955.66**.

That revenue collected from the Snow Management Special Tax exceeded the budget by **\$17,104.66** due to changes in property values throughout the year.

The **unaudited** spending for Snow Management is as follows:

	2024 Budget	YTD Actual Cost	Variance Over/Under
Salaries, Wages, and Benefits	\$812,851.00	\$421,225.84	\$391,625.16
Fleet Expense	\$573,900.00	\$353,326.00	\$220,574.00
Maintenance Materials Supplies	\$296,100.00	\$175,441.00	\$120,659.00
Contracted And General Services	\$0.00	\$1,420.00	(\$1,420.00)
Total Expenses	\$1,682,851.00	\$951,412.84	\$731,438.16

The unaudited spending relating to snow management costs in Year 2024 was **under budget by the amount of \$731,438.16**.

The 2024 Surplus from the Snow Management Special Tax is as follows:

Snow Management Spending Under Budget	\$731,438.16
Special Tax Revenue exceeding Budgeted Revenue	\$17,104.66
2024 Surplus Funds	\$748,542.82

As there is a surplus, this report is recommending that the 2024 surplus from the Snow Management Special Tax be forwarded to the Snow Management Reserve to reduce the Reserve deficit and create a Reserve surplus to fund future snow management costs.

CONSULTATIONS:

Finance Administration has consulted with Administration relating to the cost for snow management.

COMMUNICATION AND/OR ANNOUNCEMENT PLAN:

The City's Audit will confirm the final audited numbers relating to the snow management program cost.

BUDGET/FINANCIAL IMPLICATIONS:

The surplus from the Snow Management Special Tax and Snow Management Program for 2024 is \$748,542.82 as follows:

Unaudited Snow Management Special Tax	(\$1,699,955.66)
Unaudited Snow Management Spending	\$951,412.84
2024 Surplus	(\$748,542.82)

The Snow Management Reserve ending 2023 has an audited balance of a **deficit of \$224,211.27**.

With the credit of the 2024 Surplus to the Snow Management Reserve, the Reserve will have an unaudited reserve **surplus balance of \$524,331.55** as follows:

AUDITED DECEMBER 31, 2023 BALANCE - DEFICIT	(\$224,211.27)
<u>2024 BUDGETED TRANSACTIONS:</u>	
2024 Snow Management Special Tax Levied	\$1,699,955.66
Snow Management Spending in 2024	(\$951,412.84)
ENDING BALANCE IN RESERVE AT YEAR END 2024 - SURPLUS	\$524,331.55

This budgeted surplus addresses financial stability and preparedness for the future and funds any unexpected snow management costs. The Snow Management Reserve is crucial to have when unforeseen circumstances arrive, but the Reserve must be replenished when times are good.

OTHER CONSIDERATIONS/IMPLICATIONS:

There are no other considerations at this time.

OPTIONS TO RECOMMENDATION:

Council may decide to allocate the surplus to the Fiscal Stabilization Fund, however, that is not being recommended as the Snow Management Reserve is in a deficit and the remaining surplus funds will ensure financial stability and preparedness for the future and fund any unexpected snow management costs.

STRATEGIC PLAN:

The creation of an equitable taxation structure promotes community growth and maintains new and existing amenities and infrastructure. The Snow Management Special Tax is to generate revenue to fund snow management within the calendar year.

PUBLIC NOTICE:

Public Notice is required for consideration of this matter, pursuant to Section 4(e) of Public Notice Bylaw No. 24 of 2015. The following notice will be undertaken:

- Published in local newspaper (Prince Albert Daily Herald) circulated in the City: March 28, 2025
- Posted on the bulletin board at City Hall: March 28, 2025
- Posted on the City's website: March 28, 2025

ATTACHMENTS:

1. Bylaw No. 3 of 2024 – Snow Management Special Tax.
2. Public Notice – Snow Management Special Tax for 2024.

Written by: Melodie Boulet, Finance Manager

Approved by: Acting Senior Accounting Manager, Director of Financial Services and City Manager