

Type of Decision									
Meeting Date	Friday, August 12, 2011				Report Date	Wednesday, August 10, 2011			
Decision Required	X	Yes		No	Priority	X	High		Low
Direction	x	Information Only			Type of Meeting	X	Open		Closed
REPORT TITLE									
Waste Management Additional Information Report 12/08/11/401									

Subject: Considerations for waste management in HCM.

RECOMMENDATION: That Council commence a program of implementing changes to eventually increase the amount of diversion including: recycling, composting, re-use and other diversion decreasing the costs of waste disposal and extending the life of disposal sites.

ADDITIONAL INFORMATION FOR CONSIDERATION:

1. Taxation of campgrounds. During recent discussions since the newsletter distribution the issue of taxation arose. The following is an explanation of the taxation of campgrounds within any municipality. These rules have been created by the province and are implemented by MPAC the Municipal Property Assessment Corporation.

The municipality has no power or authority other than to create a tax bill for each campground within its boundaries in the same manner as any residence, save and except for any portion that is provided for the sale of any item. These sections are assessed differently and taxed at the higher commercial rate as set by the municipality.

All properties which are assessed as being used for residential purposes are to be taxed at the residential rate, even if that property is a motel, hotel or campground. If the area is to be used for accommodation only, it is to be taxed as residential. That means that any hotel (aside from any area set aside for kitchen or restaurant or tuck shop) is assessed as residential and pays the same rate of tax as any homeowner. Even though large areas of land may be used as separate lots for seasonal trailers and campers, and provide revenue to the campground owners/operators, they are taxed as residential lots.

If two properties are each 50 acres of land, one with a house on it with 2 residents and one with a house on it with 2 residents plus 40 campsites – seasonal or otherwise, the amount of money received by the municipality is based on the assessed value times the residential tax rate and is not significantly different.

It is a fact that the assessed value on the property used as a campground will be increased due to the likelihood of an increased resale value leading from improved infrastructure and the opportunity to earn a living. This increased assessment is based on the fact that a business is being run; even still, only residential taxes are being paid.

2. HCM does not license its businesses so taxes are the only compensation the municipality receives.

3. The importance of this information in relation to waste management is that currently funds generated from tax payments pay for all our waste disposal needs. There are no restrictions on the amount of material any property owner may dispose of. This inequality means that the individual subsidizes the commercial operators' waste disposal costs. The one property described above generates the amount of waste as does a regular household; the second property with its numerous campers generates considerably more.
4. The following are actual statistics. Although we are to protect individual information the following are combined totals.
 - a. The total assessment of 5 commercial accommodation businesses in HCM is approximately \$1,676,508. These businesses have around 15 permanent year round residents and any number of seasonal residents. Combined they pay \$14,702.15 in taxes and generate large amounts of waste during the summer season. It is true that our operators participate actively in our recycling program and do divert a large volume of material. They have been quite pro-active in this regard and are to be commended.
 - b. Comparatively, 6 residences have an assessed value of \$1,718,500 and house 13 year round residents. Combined they pay \$15,070.40 in taxes. A large percentage of our residents also actively participate in our recycling program and produce less than one bag of waste per week.
 - c. Additionally, Driftwood Provincial Park is not included in the above calculations as they are a provincial entity and are exempt from taxes. Instead they pay the municipality a Payment in Lieu of taxes - \$8,406.43 for 2011. They also pay tipping fees, in 2010 in the amount of \$3,069 and also actively participate in our recycling program.

Financial Implications/Budget Impact: Significant – costs of waste management are escalating; life of sites is decreasing rapidly, expansion or moving will be extremely costly.

Others Consulted: Ruth Morin, Treasurer; Noella Lebreton, Deputy Treasurer; Kevin Mooder, Jp2g; OPTA; Todd Dowser, Morning Mist;

Approved and Recommended by the Clerk

Melinda Reith,

Municipal Clerk

Melinda Reith

The following additional information has been provided by Kevin Mooder and Todd Dowser respectively and is pertinent to Friday's discussion.