

# **Bond Case Briefs**

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## **Snow: Every Budgeters' Worst Nightmare.**

Winter weather is tightening its grip on cities. And when the temperature drops, expenses can quickly rise, as snow removal and other costs pile up along with the snow drifts.

Predicting just how much a local government will need to spend for the upcoming winter is only a best guess. Costs vary widely from year to year, depending not only on the severity of the weather, but where on the calendar storms fall and even the time of day a storm hits.

The city of Minneapolis attempts to project its snow and ice removal costs by looking at averages over the previous three to five years. For fiscal year 2013, the city budgeted about \$10 million. In recent years, though, the total bill has ranged from slightly more than \$7 million all the way up to \$12 million. "We try and budget for an average year," says Deputy Public Works Director Heidi Hamilton. "But there's never an average year."

Snow emergencies—usually when the city receives at least four inches—are particularly costly, Hamilton says. But when storms hit also matters, as overtime costs climb on the weekends. Even the mere threat of snow means crews must go out and treat roads.

This unpredictability can quickly drive up costs. Last winter, Worcester, Mass., got hit with about 80 inches of snow, one of the highest tallies in the country. The city spent about \$5 million digging out. Matt Labovites, the city's assistant commissioner of operations at the Department of Public Works and Parks, says he can't remember the last time the city didn't exceed its snow program budget. "It's virtually impossible to closely budget for it," he says. Fortunately for Worcester, snow removal costs are one of the few services for which Massachusetts allows its localities to deficit spend without incurring a penalty.

Even a single storm can wreck a budget. Back in 2011, for example, an early season storm blanketed Worcester with more than a foot of snow in the last week of October. City equipment and contractors weren't yet ready, Labovites says. To make matters worse, residents had raked leaves in gutters for leaf collection right before it hit.

Cities, particularly those in snowbelts, opting to budget on the low end take a chance they'll need to dig themselves out of deeper deficits if they're hit hard. "If you're a city that gets 30 inches of snowfall, maybe you do look at it a little bit differently" says Paul Holahan, who heads Rochester, N.Y.'s Department of Environmental Services. Rochester, which receives around 100 inches of snow each winter, budgets for an "above-average" winter. "There's too big of a potential for a huge [snow] budget that you don't want to try to absorb," Holahan says.

BY MIKE MACIAG | JANUARY 2014