

Halifax Regional Council
January 21, 2003

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



S. Dale MacLennan, Director, Financial Services

DATE: December 30, 2002

SUBJECT: Miscellaneous Donation Accounts - Operating Fund

INFORMATION REPORT

ORIGIN

Financial Services has committed to provide this report on an annual basis, in conjunction with the Miscellaneous Trust Funds Financial Statements.

BACKGROUND

The Municipal Accounting and Reporting Manual requires municipalities “to recognize and use Trust Funds in the case of transactions which arise from a formal or informal trust agreement pursuant to which a municipality is accountable to third parties for the use and disposition of trust assets and for the funds derived from those trust activities.”

HRM has a number of formal trust agreements and these trust funds are reported separately in the Miscellaneous Trust Funds Financial Statements. From time to time, HRM receives donations, where there is no formal trust agreement in place. These donations are accounted for as separate liability accounts on the Operating Fund Balance Sheet.

DISCUSSION

The following seven donation accounts are currently maintained on the HRM Operating Fund Balance Sheet:

(1) Parks Civic Support-General

This program, which is a carry forward from the former City of Halifax, provides individuals and organizations the opportunity to commemorate a person, place, or event, while at the same time improving the community's livability. Donations help fund projects such as new park benches, creative play structures, or preservation of existing natural features.

(2) Halifax Public Gardens Donate A Tree and Adopt A Tree

These programs, also brought forward from the former City of Halifax, were developed to encourage the continued tradition of citizen support and help maintain, identify and regenerate the fine display of trees in the Public Gardens. Donations for Donate a Tree include the cost of the tree, its planting and a plate listing the species and donor's special commemoration. The Adopt a Tree program helps offset the maintenance costs of the Garden's tree collection.

(3) Titanic Restoration Fairview Cemetery

The Titanic Restoration Fairview Cemetery account was set up in 1997 to isolate donations for the Titanic area restoration in Fairview cemetery. On March 26, 2002 Council approved the creation of a Titanic Commemorative Reserve for future donations, and the creation of a Titanic Trust account to preserve the principal being transferred from the White Star Ocean Steam Navigation account from Royal Trust. Council also approved that the interest earned on the Titanic Trust account annually would be transferred to the Titanic Commemorative Reserve. To date \$19,000 has been received for the Titanic Trust, and \$550 for the Titanic Commemorative Reserve. The balance in the Titanic Restoration Fairview Cemetery account in the Operating Fund, will be transferred to the Titanic Commemorative Reserve to facilitate management and reporting on monies associated with the Titanic disaster.

(4) City Hall Clock Project

(5) Chebucto Landing Clock Project

The two accounts named above were set up in 1998 and 1999 respectively, and result from a number of donations made by the Halifax Foundation. These funds are to be used for the maintenance and upkeep of the two clocks as well as the Memorial bells.

(6) DeWolf Bedford Contribution

This account, created in fiscal 2001, results from a personal donation from Harry DeWolf towards the provision of a facility that is open to the public, located in and primarily for the benefit of the community of Bedford. To date, Council has approved two withdrawals from this fund, \$10,000 for the Bedford Youth Development Association and \$2,000 for the Bedford Legion Branch #95. On September 24, 2002 Council approved a \$50,000 loan from this account to the Rocky Lake Development Association. The terms of the repayment are 6% interest over a one-year period, with the provision that the repayment of interest can be forgiven by the DeWolf Family at a later time.

(7) Theodore Tugboat

In June 2002 Council approved the creation of a Theodore Tugboat Account to isolate donations from the public to save Theodore Tugboat. Although the attempt to keep Theodore Tugboat in HRM was unsuccessful, a committee with Council representation is still active and contemplating next steps.

BUDGET IMPLICATIONS

There are no budget implications.

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.

ATTACHMENTS

Attachment A - Miscellaneous Donation Accounts - Operating Fund - Balances as at September 2002, March 2002 and March 2001.

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208. Report Prepared by: Cathie O'Toole, CGA, Team Leader of Financial Reporting 490-635

ATTACHMENT A

Miscellaneous Donation Accounts - Operating Fund

Fund	Sept 30, 2002	Mar 31, 2002	Mar 31, 2001
Parks Civic Support - General	\$17,609	\$16,283	\$14,792
Halifax Public Gardens - Donate a Tree and Adopt a Tree	\$11,689	\$11,689	\$8,946
* Titanic Restoration Fairview Cemetery	\$2,014	\$2,014	\$2,014
City Hall Clock Project	\$19,624	\$19,624	\$19,624
Chebucto Landing Clock Project	\$5,757	\$10,059	\$12,162
DeWolf Bedford Contribution	\$94,211	\$93,450	\$102,140
Theodore Tugboat	\$5,961	-	-

* A Titanic Trust Fund (Account T128) and Titanic Commemorative Reserve (Account Q317) were set up subsequent to the March 31, 2002 year end. The Titanic Trust (T128) now has a balance of \$19,000 and the Titanic Commemorative Reserve (Q317) a balance of \$550. The Balance in the Titanic Restoration Fairview Cemetery account (\$2,014) will be transferred from the Operating Fund to the Reserve Fund.