

Item No. 10.1.3
Halifax Regional Council
October 30, 2012

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: Original signed by 
Richard Butts, Chief Administrative Officer

Original Signed by 
Mike Labrecque, Deputy Chief Administrative Officer

DATE: October 10, 2012

SUBJECT: University Transit Pass Refund

ORIGIN

Metro Transit University Transit Pass (UPass) Agreement dated September 1, 2010

RECOMMENDATION

It is recommended that Halifax Regional Council approve reimbursement payments to UPass partners as outlined in the budget implications section.

BACKGROUND

The Metro Transit UPass agreement, dated September 1, 2010, sets out the terms of a University Transit Pass program for full-time students. Metro Transit currently has a UPass agreement with the students of Dalhousie University, Nova Scotia Community College (NSCC), Nova Scotia College of Art and Design (NSCAD), Mount Saint Vincent University (MSVU) and Saint Mary's University (SMU). The UPass agreement provides eligible students with unlimited use of Metro Transit's Bus, Ferry and Access-A- Bus.

The UPass agreement dated September 1, 2010 was a three year agreement ending May 31, 2013.

| UPass Agreement | Annual Fee Payable to Metro Transit Per Eligible Student | | |
|--|--|----------|----------|
| | 2010/11 | 2011/12 | 2012/13 |
| 8 Month (September to April, 243 days) Annual Agreement (Dalhousie, NSCAD, MSVU and SMU) | \$134.00 | \$136.67 | \$141.44 |
| 9 Month (September to May, 274 days) Annual Agreement (NSCC) | \$150.00 | \$152.99 | \$158.33 |

DISCUSSION

The 2011/12 UPass agreement term was September 2011 to May 2012. Metro Transit experienced a service disruption during this time. The service disruption, a result of the Amalgamated Transit Unit Local 508 work stoppage, lasted 43 days, February 2 until March 15. HRM offered free transit service for 16 days, March 16 until March 31. The total number of lost service days and free days is 59.

Paragraph 11 of the UPass agreement details what is to occur if there is a sustained interruption of service exceeding four consecutive calendar days. Metro Transit's liability is limited to a reimbursement on the basis of a daily rate. The daily rate is defined as the fee in the applicable academic session divided by the number of days in applicable academic session. The daily rate in this case was \$.56 (\$136.67 divided by 243 days, \$152.99 divided by 274 days).

The UPass partners submit payment to HRM annually in October, November, February and April. The lost and free service days created an overpayment by most partners and reimbursement must be made.

| UPass Partner | Reimbursement Amount |
|-----------------------------|----------------------|
| Dalhousie | \$331,397 |
| NSCAD | \$2,486 |
| NSCC | \$107,030 |
| MSVU | \$24 |
| SMU | \$66,035 |
| Total Revenue Reimbursement | \$506,972 |

The initial deposit for the 2012/13 UPass term is due from the UPass partners in October 2012. HRM Finance offers the right of offset to parties owing funds to HRM but also due funds from HRM. Some UPass partners may opt to use this right and offset the 2012/13 amount due to HRM for the 2012/13 UPass term with the amount owed to them from 2011/12.

BUDGET IMPLICATIONS

Each UPass partner has a general revenue receivable account for the processing of invoices and payment. Several of the receivable accounts contain a credit balance due to an overpayment as a result of the lost and free service days during the 11/12 term (see attached UPass Reconciliation).

| UPass Partner | Reimbursement Due | Current Receivable Credit | Impact to 2012/13 Revenue |
|---------------|-------------------|---------------------------|---------------------------|
| Dalhousie | \$331,397 | \$331,397 | \$0.00 |
| NSCAD | \$2,486 | \$2,486 | \$0.00 |
| NSCC | \$107,030 | \$107,030 | \$0.00 |
| MSVU | \$24 | \$24 | \$0.00 |
| SMU | \$66,035 | \$66,035 | \$23,240 |

The amount of \$23,240 will negatively impact 2012/13 Metro Transit Bus Fare Revenue in cost centre R631, G/L 5201.

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating, Project and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Project and Operating reserves, as well as any relevant legislation.

COMMUNITY ENGAGEMENT

ENVIRONMENTAL IMPLICATIONS

ALTERNATIVES

No alternatives.

ATTACHMENTS

UPass Reconciliation

A copy of this report can be obtained online at <http://www.halifax.ca/council/agendasc/cagenda.html> then choose the appropriate meeting date, or by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Kimberley Cusack, Coordinator, Metro Transit

Report Approved by: _____
Eddie Robar, Director, Metro Transit, 490-6720

Financial Approval by: _____
Greg Keefe, Director of Finance & Information Technology/CFO, 490-6308

| | Dal | | MSVU | | NSCAD | |
|----------------------------|-------|-----------------------|------|---------------------|-------|--------------------|
| Registered Students | | | | | | |
| Regular Session | 16013 | \$2,188,496.71 | 2380 | \$325,275 | 814 | \$111,249.38 |
| Winter Session | 0 | \$0.00 | 176 | \$12,028 | | |
| Spring Session | 696 | \$47,564.64 | | | 67 | \$4,578.78 |
| | | | | | | |
| Strike Credit | 16709 | -\$552,065.36 | 2556 | -\$84,450 | 881 | -\$29,108.24 |
| | | | | | | |
| 11/12 UPass Fee | | \$1,683,995.99 | | \$252,852 | | \$86,719.92 |
| 10/11 UPass Due | | -\$2,691.00 | | \$0.00 | | \$0.00 |
| Total UPass Fee | | \$1,681,304.99 | | \$252,852 | | \$86,719.92 |
| | | | | | | |
| Payments: | | | | | | |
| Payment 1 | | \$208,208.00 | | \$26,091.00 | | \$12,780.00 |
| Payment 2 | | \$775,785.00 | | \$47,532.00 | | \$44,566.50 |
| Payment 3 | | \$1,028,709.00 | | \$79,127.00 | | \$31,859.59 |
| Payment 4 | | | | \$100,126.00 | | |
| Total Payments | | \$2,012,702.00 | | \$252,876.00 | | \$89,206.09 |
| | | | | | | |
| Overpayment Amount | | -\$331,397.01 | | -\$23.80 | | -\$2,486.17 |

| | | | |
|-----------------------------|--------------|---------|------------|
| A/R Credit Balance | \$331,397.01 | \$23.80 | \$2,486.17 |
| Revenue Implication | \$0.00 | \$0.00 | \$0.00 |
| Reimbursement Amount | \$331,397.01 | \$23.80 | \$2,486.17 |

| | |
|--------------------|--------|
| Regular | 136.67 |
| Regular NSCC | 152.99 |
| Winter/Spring | 68.34 |
| Winter/Spring NSCC | 76.50 |
| Strike Credit | -33.04 |

| NSCC | | SMU | |
|------|----------------------|------|---------------------|
| 3906 | \$597,578.94 | 6233 | \$851,864.11 |
| | | 70 | \$4,783.80 |
| 199 | \$15,222.51 | 493 | \$33,691.62 |
| | | | |
| 4105 | -\$135,629.20 | 6726 | -\$222,227.04 |
| | | | |
| | \$477,172.25 | | \$668,112.49 |
| | \$0.00 | | \$56,344.00 |
| | \$477,172.25 | | \$724,456.49 |
| | | | |
| | | | |
| | \$584,202.00 | | \$150,000.00 |
| | | | \$202,130.00 |
| | | | \$432,341.00 |
| | | | \$6,020.00 |
| | \$584,202.00 | | \$790,491.00 |
| | | | |
| | -\$107,029.76 | | -\$66,034.51 |

\$107,029.76

\$42,794.72

\$0.00

\$23,239.79

\$107,029.76

\$66,034.51