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Halifax Regional Council
May 6, 2003

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:


George McLellan, Chief Administrative Officer


Dale MacLennan, CA, Director, Financial Services

DATE: April 28, 2003

SUBJECT: Theodore Tugboat Fund

ORIGIN

At the March 4th Council meeting, a request was made to provide information on the status of the funding for the Theodore Tugboat fund and for staff to provide a report regarding a request by Council to examine the merits of adding funds to the donated amounts from citizens to bring the total to \$10,000 and to spend those funds on the preparation of a business plan to see if the Halifax Tugboat Society is in a position to move forward on a proposal to acquire Theodore Tugboat.

RECOMMENDATION

It is recommended that :

1. The funds currently in the account in the amount of \$5,986.28, be forwarded to the Halifax Tugboat Society and that they consider all fundraising possibilities in order to reach the goal of funding a business plan for options around Theodore Tugboat staying in Halifax Harbour.

BACKGROUND

As a result of the May 21st, 2002 Council meeting, a motion was adopted that HRM investigate the possibilities of keeping Theodore Tug Boat in Halifax Harbour and, that, through the Mayor's office, a "Save Theodore Tug Boat" Fund be established.

Staff, therefore, opened an account in the records to segregate these funds. Any amounts received for this fund were deposited and where the receipts were able to be attributed to any individual or organization, a receipt was issued directly to them.

DISCUSSION

The amount of funds gathered to date total \$5,986,28. No monies have been expended from this fund to date. The original intent of the funds were to "investigate the possibilities of keeping Theodore Tugboat in Halifax Harbour". The fund was established so that "private enterprise, the general public and government can get together to try to coordinate an effort to keep Theodore Tugboat in HRM". Subsequently, the Halifax Tugboat Society was established and has investigated various options and is now requesting a total of \$10,000 from HRM to prepare a business plan. This would require that approximately \$4,000 be found from some other fund to make up the difference.

The general public has contributed to this fund and HRM has contributed some services and time. Staff cannot recommend an HRM funding source for the difference but suggest that the Society may want to consider a fundraising effort to raise the difference.

Staff also feel that where it is clear that the financial implications of adopting Theodore are quite profound and are beyond the realm of the HRM budget at this time that the onus would be on a private enterprise to take on the task of preparing a business plan for the options around Theodore staying in Halifax Harbour.

The attached Memorandum of Association of the Society clearly reflects what the donations were intended to achieve and so the funds can appropriately be passed to the Society.

BUDGET IMPLICATIONS

No current or future year budget implications at this time.

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.

ALTERNATIVES

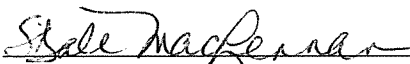
Council could decide to fund the approximately \$4,000 from the operating budget. Staff would then need to outline for Council what program reduction would take place and what change would be made to the operating budget.

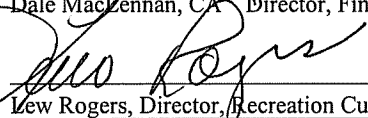
ATTACHMENTS

Memorandum of Association- Halifax Tugboat Society

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: Catherine Sanderson, CMA Manager, Revenue

Report Approved by: 
Dale MacLennan, CA Director, Financial Services 490-6308


Lew Rogers, Director, Recreation Culture and Heritage 490-5978

Memorandum of Association

The name of the Society is : Halifax Tugboat Society (Society Name)

The objects of the Society are:

- (a) To acquire the vessel known as Theodore Tugboat and the intellectual property associated therewith and to operate the same as a tourist attraction within Halifax Regional Municipality;
- (b) To promote the Halifax Regional Municipality as a tourist area;
- (c) To acquire by way of grant, gift, purchase, bequest, devise or otherwise, real and personal property and to use and apply such property to the realization of the objects of the Society;
- (d) To buy, own, hold, lease, mortgage, sell and convey such real and personal property as may be necessary or desirable in the carrying out of the objects of the Society.

Provided that nothing herein contained shall permit the Society to carry on any trade, industry, or business and the Society shall be carried on without purpose of gain to any of the members and that any surplus or any accretions of the Society shall be used solely for the purposes of the Society and the promotion of its objects.

Provided, further, that if for any reason the operations of the Society are terminated or are wound up, or are dissolved and there remains, at that time, after satisfaction of all its debts and liabilities, any property whatsoever, the same shall be paid to some other charitable organization in Canada, having objects similar to those of the Society.

The activities of the Society are to be carried on in the Halifax Regional Municipality, Nova Scotia.

The Registered office of the Society is situated at 5077 George Street, 2nd Floor, Halifax, NS B3J 1M3.