



P.O. Box 1749  
Halifax, Nova Scotia  
B3J 3A5 Canada

**Item No. 14.2.3**  
**Halifax Regional Council**  
**October 31, 2017**

**TO:** Mayor Savage and Members of Halifax Regional Council

Original Signed

**SUBMITTED BY:** \_\_\_\_\_  
Councillor Bill Karsten, Chair, Audit and Finance Standing Committee

**DATE:** October 19, 2017

**SUBJECT:** Halifax Community Road Train Funding

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**ORIGIN**

Staff report submitted to the October 18, 2017 meeting of the Audit and Finance Standing Committee.

**LEGISLATIVE AUTHORITY**

Sec. 21 of the Halifax Regional Municipality Charter RE Standing, Special, and Advisory Committees.

Sec. 8 of the Audit and Finance Standing Committee's Terms of Reference:

"The Audit and Finance Standing Committee shall review and make recommendations on proposals coming to the Council outside of the annual budget or tender process including:

- (a) new programs or services not yet approved or funded;
- (b) programs or services that are being substantially altered;
- (c) proposed changes in any operating or project budget items;
- (d) the commitment of funds where there is insufficient approved budget;
- (e) new or increased capital projects not within the approved budget;
- (f) increases in project budget due to cost sharing; and
- (g) the creation or modification of reserves and withdrawals not approved in the approved budget."

**RECOMMENDATION**

The Audit and Finance Standing Committee recommends to Regional Council that the Halifax Regional Municipality use funds from M310 - 8004 to provide a grant of \$50,000 to the Halifax Community Road Train Society to support the 2017 operation of the Community Road Train service.

## **BACKGROUND**

A staff report in regard to Halifax Community Road Train Funding was submitted to the October 18, 2017 meeting of the Audit and Finance Standing Committee.

## **DISCUSSION**

The Standing Committee considered the report and passed a motion endorsing the staff recommendation. During discussion, the Committee noted that it would be beneficial to have all the financial information that was submitted to staff on this matter, and suggested that it be provided to Regional Council when the matter is dealt with by Regional Council. A copy of this information is attached to this report.

## **FINANCIAL IMPLICATIONS**

Outlined in the attached staff report dated October 12, 2017.

## **RISK CONSIDERATION**

Outlined in the attached staff report dated October 12, 2017.

## **COMMUNITY ENGAGEMENT**

The Audit & Finance Standing Committee meetings are open to public attendance, a live webcast is provided of the meeting, and members of the public are invited to address the Committee for up to five minutes at the end of each meeting during the Public Participation portion of the meeting. The agenda, reports, minutes, and meeting video of the Audit & Finance Standing Committee are posted on Halifax.ca

## **ENVIRONMENTAL IMPLICATIONS**

None identified.

## **ALTERNATIVES**

The Standing Committee did not provide alternatives.

## **ATTACHMENTS**

Attachment 1: Staff report dated October 12, 2017.

Attachment 2: Supplementary Financial Information

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Sheilagh Edmonds, Legislative Assistant, Municipal Clerk's Office, 902.490.6520

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P.O. Box 1749  
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**Item No. 12.4.2**  
**Audit & Finance Standing Committee**  
**October 18, 2017**

**TO:** Chair and Members of Audit & Finance Standing Committee

**SUBMITTED BY:** Original Signed  
\_\_\_\_\_  
Jacques Dubé, Chief Administrative Officer

Original Signed  
\_\_\_\_\_  
John Traves, Director, Legal, Municipal Clerk and External Affairs

**DATE:** October 12, 2017

**SUBJECT:** Halifax Community Road Train Funding

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**ORIGIN**

At the July 18, 2017 meeting of Halifax Regional Council, the following motion was passed:

THAT Halifax Regional Council accept the request made by the proponent to fund the Halifax Community Road Train, subject to the following:

1. Approval be contingent on receipt by the Municipality of:
  - a) proof of incorporation of the not-for-profit society established to operate the Train;
  - b) a detailed budget that includes expected contributions of confirmed partners;
  - c) a detailed Service Plan, hours of operation, number of daily trips and passenger capacity;
  - d) a requirement for detailed data collection and reporting to HRM; and
  - e) identification of a funding source by way of the Audit and Finance Standing Committee.
2. Staff negotiate a Contribution Agreement with the incorporated not-for-profit society established to operate the Train;
3. The Chief Administrative Officer execute the Contribution Agreement; and
4. Staff return to Regional Council with an evaluation of the 2017 service to determine if the requested funding for 2018 and 2019 will be considered.

July 18, 2017 Regional Council report, titled Halifax Community Road Train, Item 14.1.18

**LEGISLATIVE AUTHORITY**

Halifax Regional Municipality Council approved, Dec 11, 2012, that all budget increases are to be presented to the Audit and Finance Standing Committee, prior to submission to Council.

Halifax Charter, section 93(1) - The Council shall make estimates of the sums that are required by the Municipality for the fiscal year; Halifax Charter, section 79(1) - Specifies areas that the Council may expend money required by the Municipality; Halifax Charter, section 35(2)(d)(i) - The CAO can only authorize budgeted expenditures or within the amount determined by Council by policy; Halifax Charter, section 120(6) - The Municipality may maintain other reserve funds for such purposes as the Council may determine; Halifax Regional Municipality policy on Changes to Cost Sharing for Capital Projects - Changes requiring Council approval; and the Halifax Regional Municipality Reserve Policy - No reserve funds will be expended without the CAO's recommendation and Council approval.

### **RECOMMENDATION**

It is recommended that the Audit and Finance Standing Committee recommend to Regional Council that the Halifax Regional Municipality use funds from M310 - 8004 to provide a grant of \$50,000 to the Halifax Community Road Train Society to support the 2017 operation of the Community Road Train service.

### **BACKGROUND**

A report regarding the Halifax Community Road Train project ("Road Train") was discussed at the July 18, 2017 meeting of Halifax Regional Council. The report was the result of a presentation by Dennis Campbell, the CEO of Ambassatours, to the Halifax and West Community Council at their March 22 meeting regarding the proposed Road Train. At that time, the Road Train was a proposed service in the downtown core that would be funded by organizations such as the Waterfront Development Corporation and the Downtown Halifax Business Commission, and local businesses, combined with 'pay as you can' donations from the ridership. To complete the required funding and support the project, the Municipality was asked to consider providing a three-year financial commitment as follows:

- Year 1 (2017/18) - \$50,000
- Year 2 (2018/19) - \$40,000
- Year 3 (2019/20) - \$30,000

The July 18 report recommended against funding the project based on certain factors, as well as issues identified in an accompanying In-Camera report. However, the report highlighted several potential benefits of the service such as its contribution to construction mitigation and added capacity to move people through the downtown core. After discussion at the July 18 meeting, the motion outlined in the Origin section of this report was tabled and passed, directing that Year 1 of the project receive municipal funding, subject to conditions. The Discussion section of this report outlines those conditions and additional information received to date. As noted in the Motion, should Regional Council agree to provide the \$50,000 grant in 2017/18, the Chief Administrative Officer (CAO) has been authorized to negotiate and execute a contribution agreement with the Halifax Community Road Train Society.

### **DISCUSSION**

#### **Not-for-Profit Society**

The previous report noted a potential issue with provision of a grant to a not-for-profit entity attached to a private sector business, based partially on a December 2011 report by the municipal Auditor General that reviewed HRM's contribution to the Seaport Farmers' Market. That report raised some concerns with the practice of providing funding that is aligned with a private sector entity. Therefore, the motion notes that funding to support this initiative is contingent on receiving further information on the society operating the service.

The Halifax Community Road Train Society was established to ensure arms-length representation from Ambassatours. The municipality has received a Certificate of Incorporation under the Societies Act (Registry Number 3306214), and by-laws for the Road Train Society. A Board of Directors has been established for the Society which includes Councillor Mason, as well as representatives from Ambassatours

Gray Line /Murphy's, the Tatamagouche Road Train Society, Waterfront Development Corporation Limited, and the Halifax Downtown Business Improvement District. Minutes from the first meeting of the Society's Board, held on August 21, 2017, have been received by the Municipality. The Society leases the vehicle from Ambassatours and operates the service using a management fee agreement.

#### Budget and Contributions from Partners

A budget has been provided by the Road Train Society, which details actual revenues and expenses to date in 2017, forecast figures for the remainder of 2017, as well as 2018 and 2019. In addition to the proposed municipal contribution of \$50,000, the 2017 actual and forecast figures include donations from other partners, such as the Waterfront Development Corporation, as well as revenue received from selling advertising on the Train. Total passenger donations for the season are budgeted at more than \$77,000. The Society has restated their previous commitment that any profit realized in 2017, currently budgeted at approximately \$4,500, will be directed solely into improving the 2018 version of the service. Current estimates indicate that the Society is likely to meet or exceed its revenue targets. Potential improvements range from adding enclosed passenger cars for inclement weather to adding a second train.

#### Service Plan

The Road Train was proposed to run seven days per week from June to October 2017 in an approximate twenty minute circular loop along Lower Water Street and Hollis Street. The eight stops for the Train included the Cunard waterfront parking lot, Maritime Museum of the Atlantic, Chebucto Landing, and the Historic Properties. The service plan provided for the Road Train indicates that the fill rate for the train was anticipated to rise from an average of 20% in May to 60% in the peak months of July and August. Eighteen trips per day on the four kilometre route were expected to result in an estimated 64,000 passengers using the service from May to October 2017. Total trip kilometers for the Road Train are estimated at more than 13,000. Confirmation of these estimates will be sought as part of the 2017 evaluation of the Road Train service.

#### Council Priorities

As noted in the previous report on this issue, the concept of the Community Road Train relates to three of the multi-year Council Priority Outcomes approved by Regional Council in December of 2016. The idea of moving people through the downtown core via a financially and physically accessible vehicle supports the Safe and Accessible Transportation Network priority under the Transportation outcome, as well as the Accessible Community priority under the Social Development outcome. Moreover, the Road Train proposal may have some indirect benefit to the Focus on the Regional Centre priority under the Economic Development outcome by helping to contribute to a vibrant and animated downtown hub.

#### Future Funding

Ambassatours has requested funding for three years to support the Road Train Society. If approved by Regional Council, this report will result in the provision of the \$50,000 funding request to support Year 1 (2017/18). Provision of 2018/19 and 2019/20 funding is contingent on an evaluation of the 2017/18 service and completion of the contribution agreement. The 2017 evaluation is being prepared in a separate report, which will be authored upon receipt of final reporting from the Road Train Society. That report is expected to be brought to Regional Council late early in 2018.

#### **FINANCIAL IMPLICATIONS**

There are no funds budgeted in either 2017-18 or 2018-19 for this initiative. If Regional Council decides to provide the \$50,000 contribution for 2017/18, it will be included as a cost in M310-8004 (Other Fiscal Services - Grants). The requested 2018/19 and 2019/20 contributions of \$40,000 and \$30,000 respectively will be considered, following an evaluation of the 2017 service, during budget preparation for those two fiscal years.

**RISK CONSIDERATION**

There are no significant risks associated with the recommendation in this Report. The risks considered rate Low.

**COMMUNITY ENGAGEMENT**

Not applicable.

**ENVIRONMENTAL IMPLICATIONS**

Not applicable.

**ALTERNATIVES**

The Audit and Finance Standing Committee may decide to not forward this report to Halifax Regional Council for approval.

**ATTACHMENTS**

None.

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A copy of this report can be obtained online at [halifax.ca](http://halifax.ca) or by contacting the Office of the Municipal Clerk at 902.490.4210.

Report Prepared by: Paul Johnston / Coordinator of Corporate Affairs, 902.490.6616

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# Halifax Community Road Train

## Additional Information for Supplementary Report

In follow up to a request at Audit and Finance Committee for additional information regarding the Halifax Community Road Train, the following documents have been provided by the Halifax Community Road Train Society and are attached to this memo:

- Halifax Community Road Train 2017 Service Plan;
- Halifax Community Road Train Operations Plan;
- Halifax Community Road Train Society three-year Budget;
- Halifax Community Road Society 2017 forecasted financials;
- Information on inclusions in the budgeted Management Fee.

In addition, the list of advertisers and sponsors that are supporting the Road Train in 2017 is as follows:

- Westin Nova Scotian
- Nova Scotia Crystal Ltd.
- Four Points Sheraton
- Revolve Media Strategist
- Halifax Distillery Co.
- Maritime Museum of the Atlantic
- Halifax Port Authority
- Discovery Centre
- Art Gallery of Nova Scotia
- Halifax Shopping Centre
- Halifax Citadel Fortress
- Halifax Downtown Business Commission
- Amos Pewter
- Casino Nova Scotia
- AMJ Campbell

- MGL Investments Limited
- Via Rail Canada
- Waterfront Development Corporation Ltd.
- Neptune Theatre Society

Note: The Halifax Community Road Train Society 2017 budget makes reference to the requested \$50,000 from Halifax Regional Municipality and includes the figure under Advertising revenue. If provided to the Society, HRM staff would consider this \$50,000 to be a grant to the Society.



# HALIFAX COMMUNITY ROAD TRAIN

2017



## Service Plan - The Halifax Community Road Train

### What is it?

- consists of an 'engine' and three 20 –passenger open-side train carriages, which is fully certified for road usage.
- driven by a professional driver, with a safety attendant aboard the carriages to welcome and assist passengers with onboarding and offboarding
- first of its kind in Canada: a purpose-built train that is passenger- friendly, photogenic and fun!
- 6 feet wide, easily navigate the narrow streets of the waterfront area.
- rear train carriage is wheelchair accessible
- can also carry bicycles when cyclists prefer to rest and ride

The Halifax Community Road Train will be branded red & white to celebrate and connect visually with Canada's 150<sup>th</sup> birthday.

### Where will it operate?

The Road Train will run a circular half hour loop along Lower Water Street and Hollis Streets. Stops will include the at the Cunard waterfront parking lot (next to the Emera/Discovery Centre building), at the Salter St. parking lot, at Maritime Museum of the Atlantic, at or near Chebucto Landing (ferry terminal) and at Province House and across from Maple building (near Metro Park).

### Why a Road Train?

The Road Train is a fun, integrated transportation service that is designed to connect and keep people moving along the waterfront to and from:

- four major downtown parking lots (including Metro Park)
- Halifax Bus and Ferry Terminal
- VIA Rail Station
- Cruise Ship Piers
- Halifax Water Taxi
- Segways, kayaks and bicycle rentals



**Dennis Campbell, CEO**

Direct: 902.423-2352 | Mobile: 902.499-3009

[www.ambassatours.com](http://www.ambassatours.com) | [www.mtcw.ca](http://www.mtcw.ca)

Address: 6575 Bayne St., Halifax, NS B3K 2V6

It will also facilitate access to other major waterfront attractions, including the Seaport Market, the Discovery Centre, the Maritime Museum, Murphy's The Cable Wharf and Historic Properties.

**When will it operate?**

From June 1 to October 15, 2017, running 7 days a week from 10am-7pm.

**Who is involved with bringing the Road Train to Halifax ?**

A number of local businesses are partnering through sponsorship and advertising, to create this practical, yet memorable transportation experience of the waterfront and downtown, especially important for this area which will increasingly be impacted by several construction projects. While Ambassatours Gray Line/Murphy's and NovaScotian Crystal initiated the 2016 pilot, many other local enterprises are now stepping forward to support this community service.

**Who will cover the costs?**

While Ambassatours Gray Line/Murphy's The Cable Wharf will underwrite the losses for this service for 1 year, if there are any profits, monies will go back into improving the service, such as to add two additional (enclosed) passengers cars to allow for greater passenger comfort on wet and windy days and to increase capacity from 56 to 72, or to add a full second train so that frequency could be increased. A second train could also be incorporated on a second downtown route encompassing Argyle St, Grafton St and Spring Garden Rd."

**Who will oversee the service?**

For complete transparency, a not- for-profit society has been established that will oversee the operations of the service. The society will be transparent as a not-for-profit and will lease the vehicle (at least for the initial period) from the vehicle owner, Ambassatours Gray Line and enter into a service agreement between Ambassatours Gray Line and the society.

**Why will it work?**

A themed road train, inspired by a similar initiative in the community of Tatamagouche, was successfully tested during a two-week trial along the Halifax waterfront in Oct 2016. This pilot project was sponsored by Ambassatours Gray Line and NovaScotian Crystal. It was a huge success! We are confident that the Halifax Community Road Train, in addition to serving as a connector to the waterfront, will become an appealing attraction in and of itself for Halifax.



**Dennis Campbell, CEO**

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Ambassatours Gray Lines' CEO, Dennis Campbell, shares his thoughts about the potential of the Halifax Community Road Train to positively impact visitation to downtown Halifax:

*Our objective is to embrace this transition time, as the Queen's Marque project develops, as a way of providing visitors with short-distance transportation that amuses and entertains, but also contributes positively to their experience of Halifax and the waterfront district.*

*There is no doubt that people naturally gravitate toward trains. Even when we were testing the route last October (before we took passengers), we had a lineup of people wanting to ride on this novelty service. During the 2016 test, we saw passengers putting in a loonie, toonie and sometimes a \$5 and \$10 bill. We won't turn anyone away who only has a quarter or nothing to contribute – this is a not-for-profit service for the people. This service is not intended, or expected, to make money, rather it is a way to get people moving along the waterfront in a fun, quick, convenient and affordable way. If we were to sell formal tickets, instead of accepting quick donations when people board, it would slow down efficiency and frequency and defeat the purpose of this service being for the visitors and community. We want the masses to easily enjoy this service as much and as often, as they like. We often hear cruise ship passengers commenting on how much they enjoyed the boardwalk but also commenting that they are tired at the end of a big day in Halifax and looking for alternatives to the long walk back to their Ship.*

*As a company, we have a lot invested in the Halifax waterfront and we feel that we are one of the many stewards of the waterfront and we need to invest, create and lead by example. This is why we are spearheading and championing this initiative for Halifax.*

09/21/17



**Dennis Campbell, CEO**

Direct: 902.423-2352 | Mobile: 902.499-3009

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## Operations Plan

### Scope

The Halifax Community Road Train Society (HCRTS) will provide for the operation of the Road Train through a lease for the vehicles and a management agreement for the operation of the service.

### Hours of Service

Lease will be from May to October 31<sup>st</sup> annually, (6 months) with the following hours allotted in the management agreement.

5 days per week	10am to 6pm	May/June (Incl. all Cruise ship days)
7 days per week	10:00 to 7pm	July/Aug/Sept/Oct. (incl. all CS days)

Note: Schedule may be revised by operator in response to low volume

### Route

#### **Primary Route**

The Road Train runs a loop along Water Street and Hollis Streets. There are 8 stops on the route, many near parking garages.

1. Foundation Lot (parking lot), Waterfront Boardwalk
2. Maritime Museum of the Atlantic on Lower Water Street
3. South side of George Street beside Art Gallery of NS
4. Chebucto Landing at Murphy's, Waterfront Boardwalk
5. Hollis Street by Province House
6. Hollis Street near Metro Park (across from Maple)
7. Terminal Road, north side of Westin Hotel
8. Lower Water St. front of Cunard Lot (parking lot),



The full loop takes about 20 minutes in low traffic, but up to 40 minutes in peak traffic.

### Location App

This provides passengers with the ability to locate the Train on the route at any given time.

<http://www.halifaxroadtrain.ca/>

**Halifax Community Road Train Society  
Pro Forma Financial 2017**

	<u>2017</u>		<u>2018</u>	<u>2019</u>
<b>Revenue</b>				
Donations	77,052	<i>Note 1</i>	83,216	89,873
Advertising - Stops	60,000	<i>Note 2</i>	50,000	40,000
Advertising - Signs	30,000	<i>Note 2</i>	40,000	50,000
	<u>167,052</u>		<u>173,216</u>	<u>179,873</u>
<b>Operating Costs</b>				
Wages - Driver	██████████	<i>Note 3</i>	██████████	██████████
Wages - Guide	██████████	<i>Note 3</i>	██████████	██████████
R&M	8,000		10,000	12,000
Lease	45,900	<i>Note 6</i>	45,900	45,900
Management fee	30,821	<i>Note 7</i>	31,437	32,066
Insurance	5,000		5,000	5,000
Professional Fees	15,000	<i>Note 8</i>	13,000	13,650
Fuel	4,411	<i>Note 4</i>	4,763	5,144
Wash Bay	7,650	<i>Note 5</i>	8,033	8,434
	<u>171,605</u>		<u>174,053</u>	<u>179,233</u>
<b>Gross Profit</b>	- 4,554		- 838	640

**Note 1**

	May	June	July	August	September	October	
Capacity	56	56	56	56	56	56	
Fill Rate	20%	30%	60%	60%	40%	40%	
	11	17	34	34	22	22	
Trips	18	18	18	18	18	18	
Daily Passengers	202	302	605	605	403	403	
Days	26	25	26	25	25	26	
Total Passengers	5,242	7,560	15,725	15,120	10,080	10,483	
Avg Donation	1.20	1.20	1.20	1.20	1.20	1.20	
Total Donations	6,290	9,072	18,870	18,144	12,096	12,580	77,052

**Note 2**

City of Halifax	50,000	
4 Stops	10,000	<i>\$10k WDCL</i>
	60,000	
Sign Advertising	30,000	<i>Estimate \$40k total in sign/stops</i>
Grand Total	90,000	


**Note 3**

<b>Wages - Driver</b>		
Days		
Hours per day		
Rate		
Benefits		
Wage Expense		
<b>Wages - Guide</b>		
Days		
Hours per day		
Rate		
Benefits		
Wage Expense		

**Note 4**

KM per route	4
Laps per day	18
	<u>72</u>

Days	184
<b>Trip KMs</b>	<u>13,248</u>

 - MST - KM	12
Days	153
	<u>1,836</u>

Total KM	<u>15,084</u>
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Fuel litres per KM	0.34	<i>Historical - Test run</i>
Litres of Fuel	5,128.56	

Price per litre	0.86	<i>Based on October 2016 Average</i>
Total Fuel cost	<u>4,410.56</u>	28.83

**Note 5**

Wash Bay - Days	153
Cost - Internal/External	50
	<u>7,650</u>

**Note 6**

Lease days	153
Cost - Internal/External	300
	<u>45,900</u>

**Note 7**

Management Fee	0.40
Donations	77,052
	<u>30,821</u>

**Note 8**

Legal	7,500
Audit	7,500
	<u>15,000</u>

**Halifax Community Road Train Society**  
**Financial Statements 2017**  
**Year to Date**

	<u>30-Jun-17</u>	<u>31-Jul-17</u>	<u>31-Aug-17</u>	<u>30-Sep-17</u>	<u>31-Oct-17</u>	<u>31-Dec-17</u>	<u>YTD - 2017</u>
<b>Revenue</b>							
Donations	8,716	17,180	15,797	-	-	-	41,693
Advertising	13,950	13,950	13,950	13,950	13,950	-	69,750 <b>A</b>
HRM	-	-	-	25,000	25,000	-	50,000
	<u>22,666</u>	<u>31,130</u>	<u>29,747</u>	<u>38,950</u>	<u>38,950</u>	<u>-</u>	<u>161,443</u>
<b>Operating Costs</b>							
Wages - ACI							
Wages - MST							
R&M	-	2,426	5,871				8,296
Lease	7,650	7,650	7,650	7,650	7,650		38,250 <b>B</b>
Towing	300	-	-	-	-		
Insurance	1,604	1,604	1,604	1,604	1,604		8,021 <b>C</b>
Fuel	368	573	472				1,413
Wash Bay	800	1,095	915				2,810
	<u>14,237</u>	<u>21,286</u>	<u>25,648</u>	<u>9,254</u>	<u>9,254</u>	<u>-</u>	<u>79,679</u>
<b>Gross Profit</b>	<u>8,429</u>	<u>9,845</u>	<u>4,099</u>	<u>29,696</u>	<u>29,696</u>	<u>-</u>	<u>81,764</u>
<b>General &amp; Admin</b>							
Management fee	4,533	6,226	5,949	2,790	2,790		22,289 <b>D</b>
Promotional Video	1,250	1,250	1,250	1,250	1,250		
Other	2,623	672	564				
Professional Fees	1,571	-	1,681				3,252
<b>Total G&amp;A</b>	<u>9,977</u>	<u>8,148</u>	<u>9,445</u>	<u>4,040</u>	<u>4,040</u>	<u>-</u>	<u>35,651</u>
<b>Net Income (Loss)</b>	<u>- 1,548</u>	<u>1,696</u>	<u>- 5,346</u>	<u>25,656</u>	<u>25,656</u>	<u>-</u>	<u>46,113</u>

	<u>Jun-17</u>	<u>Jul-17</u>	<u>Aug-17</u>	<u>Sep-17</u>	<u>Oct-17</u>	<u>31-Dec-17</u>	<u>YTD - 2017</u>
<b>Passengers</b>	5,586	10,658	9,723				25,967
<b>Avg Donation</b>	1.56	1.61	1.62	#DIV/0!	#DIV/0!	#DIV/0!	

**Notes**

- A** - Refer to Advertising Sheet
- B** - Approximately \$250 per. day
- C** - Based on Tatamagouche Road Train costs for insurance.
- D** - 25% of donations and advertising revenues (exclusive of HRM)



**Halifax Community Road Train Society  
Forecasted Financials 2017**

	30-Jun-17	31-Jul-17	31-Aug-17	30-Sep-17	31-Oct-17	31-Dec-17	YTD - 2017
<b>Revenue</b>							
Donations	8,716	16,634	16,634	11,145	11,145	-	64,274
Advertising	13,950	13,950	13,950	13,950	13,950	-	69,750
HRM	-	-	-	25,000	25,000	-	50,000
	22,666	30,584	30,584	50,095	50,095	-	184,024
<b>Operating Costs</b>							
Wages - ACI						-	
Wages - MST						-	
R&M	-	2,426	2,426	1,698	1,698	-	8,248
Lease	7,650	7,650	7,650	7,650	7,650	-	38,250 <b>A</b>
Towing	300	-	-	-	-	-	
Insurance	1,604	1,604	1,604	1,604	1,604	-	8,021 <b>B</b>
Fuel	368	573	573	368	368	-	2,250
Wash Bay	800	1,095	1,095	800	800	-	4,590
	13,779	20,250	20,250	16,976	16,976	-	88,232
<b>Gross Profit</b>	8,887	10,334	10,334	33,118	33,118	-	95,792
<b>General &amp; Admin</b>							
Management fee	5,667	7,646	7,646	6,274	6,274	-	33,506 <b>C, E</b>
Promotional Video	1,250	1,250	1,250	1,250	1,250	-	
Other	2,623	672	650	500	500	-	
Professional Fees	1,571	-	1,000	-	-	5,000	7,571 <b>D</b>
<b>Total G&amp;A</b>	11,111	9,568	10,546	8,024	8,024	5,000	52,272
<b>Net Income (Loss)</b>	- 2,223	765	212	25,095	25,095	- 5,000	43,520

**Notes**

**A** - Approximately \$250 per day

**B** - Based on Tatamagouche Road Train costs for insurance.

**C** - 25% of donations and advertising revenues (exclusive of HRM)

**D** - \$5,000 in December as an accrual estimate for Accounting firm work.

**E** - Will need to consider what is a reasonable management fee in December - Audit/Review preparation



## Management Fee

### Inclusions:

- a. Accts. Receivable and payable
- b. Route design
- c. Establishing Commentary
- d. Hiring and training of drivers and attendants ie dispatch; payroll etc.
- e. Define and seek approval of all Stops (load and unload areas) with Municipality
- f. Design and co-ordination of rack card/brochure
- g. Collect, count and Bank drop of all donations
- h. Co-ordination of any breakdown or necessary maintenance
- i. Handle all remittance of payroll and taxes, etc.
- j. Co-ordination of Advertising contracts and signage (Sales effort would by AGL – billed time for selling)
- k. Invoice and collection for Advertising
- l. Payment of all invoices (ie expenses; lease payments; maintenance payments; legal; etc.)
- m. Preparation of financial
- n. Assistance in YE audit preparation
- o. Arranging and organizing Board Meetings for HCRTS and provide Minutes
- p. All other things tasks as can be reasonably associated with managing the Service of the HCRT and the HCRTS.

Sept 2017  
M. Dempster