Bus Transportation Grant - Hong Kong Veterans Commemorative Association
File FG (Vol. 8)

2. The Standing Policy Committee on Public Works has been advised that the Hong Kong Veterans Commemorative Association has asked for forgiveness of an outstanding amount owed for the provision of charter bus services.

On March 23, 2001, the Transit Department provided the Hong Kong Veterans Commemorative with an initial cost estimate for charter bus service associated with an event they were planning in August, 2001.

On May 14, 2001, the Association was approved for a bus transportation grant in the amount of $1,531.50. During the period from August 15 to 19, 2001, the service was provided as contracted.

The Association originally applied for a grant toward charter bus service that was estimated to cost $2,063.00. The approved grant was for an amount of $1,531.50 consistent with Council's approved grant formula in effect at the time that the service cost was quoted (100% of the first $1,000.00 and 50% above $1,000.00 - the grant not to cover the cost of GST). On April 25, 2001, Council approved the Bus Transportation grant formula to 75% of the first $1,000.00 and 50% of any additional cost up to a maximum grant of $5,000.00 - the grant not to cover the cost of GST.

When the service was provided, as a result of changes requested by the Association, the amount of the service provided was increased to $2,884.00 and the grant was recalculated to $1,942.00.

Upon completion of the service, an invoice was sent to the Hong Kong Veterans Commemorative Society in the amount of $1,143.88 ($942.00 + $201.88 [GST]). The Transit Department was subsequently advised that, although the correspondence from the department had been clear, the Association had misunderstood that the entire cost of the charter would not be covered, and they had no money to pay the bill. The Transit Department advised that it was not in a position to waive the charges, since the bus grant formula represented Council policy.

The financial impact statement is outlined on Appendix "A".

The Standing Policy Committee on Public Works recommends:

I. That the outstanding unpaid invoice in the amount of $1,143.88 associated with the charter bus service provided by the Transit Department for the Hong Kong Veterans Commemorative Association be forgiven.

II. That the Proper Officers of the City be authorized to do all things necessary to implement the foregoing, including the execution of any documents related thereto.

Appendix "A" referred to in Clause 2 of the Report of the Standing Policy Committee on Public Works dated February 5, 2002

Financial Impact Statement:

Project Name: Transit Bus Charter Service for the Hong Kong Veterans Commemorative Association

Date: January 21, 2002 First Year of Program **2002**

	2002	2003	2004	2005	2006
Capital					
Capital Expenditures Required					
Less: Existing Budgeted Costs					
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal					
Debt - External					
Grants (Enter Description Here)					
Reserves, Equity, Surplus					
Other - Enter Description Here					
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 942				
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ 942	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	942				
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: This report has been prepared for information purposes only. This Financial Impact Statement has been prepared to disclose the impact should the outstanding amount be waived. This cost is not specifically budgeted for, although the department can accomodate it within its 2002 Operating Budget. Waiving of this amount would be contrary to Council's approved bus grant formula.

Manager of Finance & Administration