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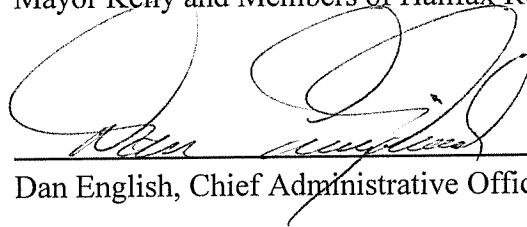


PO Box 1749
Halifax, Nova Scotia
B3J 3A5 Canada

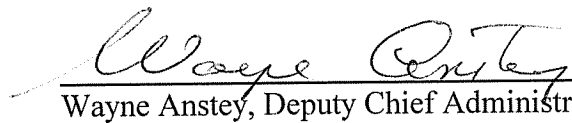
Halifax Regional Council
March 20, 2007

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:



Dan English, Chief Administrative Officer



Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: March 16, 2007

SUBJECT: 2011 Canada Winter Games Host Society

ORIGIN

- Staff Report dated December 8, 2006: Council approved the 2011 Canada Winter Games budget and authorized staff to submit the bid
- Staff Report dated January 16, 2007: Council approved the Canada Games Hosting Standards
- February 2, 2007 it was announced that Halifax Regional Municipality was selected to host the 2011 Canada Winter Games. A Letter of Agreement between the Canada Games Council, HRM and the Bid Committee was also signed

RECOMMENDATION

It is recommended that Regional Council approve the Memorandum of Association and Bylaws for the Halifax 2011 Jeux du Canada Games Host Society as contained in Appendices A and B of this report.

BACKGROUND

Bid for the 2011 Canada Winter Games

Between January 2005 and February 2007, HRM, in partnership with a number of community partners, was involved in a competitive process to host the 2011 Canada Winter Games. On February 2, 2007, Premier Rodney MacDonald and the Canada Games Council announced that Halifax Regional Municipality was the successful candidate to host the 2011 Canada Winter Games.

Transition to the Canada Games Host Society

Typically, a Games bid is led by community volunteers with support from the Municipality. The Halifax 2011 bid however was led by the Municipality with assistance from the community. This is an important point with respect to the purpose of this report.

The Canada Games Council requires that upon award of the Games to a community, a Host Society be incorporated to deliver the Games. The Letter of Agreement with respect to the awarding of the 2011 Games to HRM, requires HRM to engage the Canada Games Council in a discussion on the organizational leadership of the 2011 Host Society and provide a final plan to the Council for approval not later than four months from the announcement of the award of the Games (June 2007).

The terms and conditions of the Federal Government's Hosting Program do not permit contributions to entities such as a municipality for the Canada Games. In order to receive funds for the 2011 Canada Winter Games, the Municipality must establish a separate legal entity as the community led Host Society to organize and deliver the games.

DISCUSSION

Whitehorse Transfer of Knowledge Program

Municipal and Provincial representatives attended the 2007 Games in Whitehorse to participate in the Canada Games Council Transfer of Knowledge Program. This provided an excellent opportunity to speak to the Canada Games Council as well as past and future Games hosts about Host Society structure and governance.

Funding Opportunities

The Host Society will have operational costs in 2007/08 which have not been incorporated into the Municipality's draft operating budget for 2007/08. The Province is prepared to make a pre-commitment on a portion of its share of the 2011 Canada Games budget from a projected surplus in this year's budget. In order to access these surplus funds however, the 2011 Host Society must be established and registered prior to March 31, 2007. If the proposed Host Society is not registered by March 31, 2007, HRM will have to budget for the Society's operating costs in 2007/08.

Canada Games Host Society Structure

An individual Canada Games is a high-level multi-sport competition for our next generation national and international athletes, involving 20 concurrent and overlapping national championships as well as other cultural and community celebrations. With approximately 5000 volunteers involved in running the Games, it is a massive undertaking for any community.

Each individual Canada Games is organized and executed by a Host Society in cooperation and partnership with the Canada Games Council, who provide oversight, guidance and advice. Each Host Society structures itself differently, based on the talents and the specific circumstances of the host community. However, the generic organizational structure has been fine-tuned over several Canada Games to the point where it provides the most efficient and effective organizational framework to accomplish the mission of the Society.

- The Host Society is governed by a Board of Directors chaired by a volunteer President. Membership is determined by the Hosting Standards for the Games as identified during the 2011 Bid process.
- The 2011 Board of Directors will include members from the Halifax Regional Municipality, the Province of Nova Scotia, the Government of Canada and the Canada Games Council.

Multi-Party Agreement

A multi-party agreement is also entered into to deliver the Games. The multi-party agreement is the legal contractual document signed by the federal, provincial and municipal governments, the Host Society and the Canada Games Council. The agreement details Games related monetary matters and conditions, including treatment of legacies, as well as other related responsibilities of the parties. The details of the agreement are negotiated, under the Canada Games Council's lead, by representatives of each of the partners so that the agreement is custom designed for the needs of each Games.

Once the multi-party agreement is signed, a separate multi-party Coordinating Committee with representatives of each of the funding partners will be created. This committee will be led by the Canada Games Council to ensure the interests of all funding partners are addressed. This group will generally meet monthly via conference call and will feed into the decision making process of the Host Society.

Halifax 2011 Winter Games Host Society Time Line

It is proposed that an interim Board be incorporated as a transition team before March 31, in an effort to qualify for available 2006/07 Provincial funding. Five Society members are required to sign the Memorandum of Association to register the Society at the Registry of Joint Stocks. It is proposed that these be the Co-Chairs of the Bid (Colleen Jones and Scott Ferguson), a person selected by the Province and two individuals representing HRM.

Once the interim Board is approved, the Board will begin recruitment of the Host Society's Volunteer President. The Board will submit the nominee(s) to Regional Council and Provincial Cabinet for approval. The suggested deadline for recruiting the President is May 2007.

Once the President is in place, a similar recruitment process for the Host Society's Chief Executive Officer, which is a paid position, will take place with a suggested deadline of July 2007.

Within six months the interim Host Society Board will resign and a new Host Society Board selected. The final Host Society Board will as a minimum include HRM's CAO or his designate, the Deputy Minister of Health Promotion and Protection or his designate, one representative of the Federal government and two members representing the Canada Games Council. Additional members may also be recruited once the Society determines its long term management needs (e.g. Marketing and Promotions, Sponsorship, etc.).

The full governance structure is expected to be in place by July 2007 in an effort to develop a business plan by October and begin multi party agreement discussions with partners by November of 2007.

BUDGET IMPLICATIONS

There are no budget implications at this time. It should be noted however that if the Host Society is not incorporated to receive Provincial funding by March 31, 2007, HRM will be responsible to budget sufficient funds for the Host Society's operating needs in 2007/08.

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

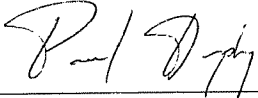
1. Council can decide not to establish the Halifax 2011 Jeux du Canada Games Host Society by March 31, 2007. This course of action is not recommended since establishing an independent community lead Host Society is a requirement of Federal funding and the awarding of the Games to Halifax. In addition delaying the incorporation beyond March 31, 2007 will jeopardize the opportunity to access a pre-commitment of Provincial funding for 2007/08 prior to the multi-party agreement being executed late in 2007.

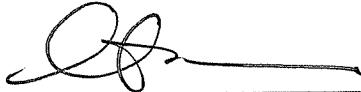
ATTACHMENTS

- Appendix "A": Memorandum of Association for the Halifax 2011 Jeux du Canada Games Host Society
Appendix "B": Bylaws of the Halifax 2011 Jeux du Canada Games Host Society

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: Marion Currie, Coordinator to the CAO, 490-6422
Sarah Knight, Solicitor, Legal Services, 490-4226

Report Approved by: 
Paul Dunphy, Director, Community Development

Financial Approval by: 
Catherine Sanderson, Senior Manager, Financial Services, 490-1562

APPENDIX A
MEMORANDUM OF ASSOCIATION
FOR
HALIFAX 2011 JEUX DU CANADA GAMES HOST SOCIETY

The name of the Society is:

Halifax 2011 Jeux du Canada Games Host Society.

The objects of the society are:

- (a) To organize, manage, promote and conduct the Halifax 2011 Jeux du Canada Games;
- (b) To accept the obligations of the Host City Agreement in accordance with section 7.1 of said agreement, signed by the Halifax Regional Municipality and the Canada Games Council on February 2, 2007; and
- (c) To undertake such other acts or things as are incidental or conducive to the attainment of the objects and purpose of the Society.

The General Powers of the Society are to:

- (a) Acquire by way of grant, gift, purchase, bequest, subscription, devise or otherwise, real and personal property and to use and to apply such property to the realization of the objects of the Society;
- (b) 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;
- (c) Enter into agreements with the Halifax Regional Municipality, the Province of Nova Scotia or the Government of Canada with respect to funding of projects and operation of the Society;
- (d) Employ such persons as are deemed necessary to carry out the objects and purpose of the Society and determine the remuneration of such persons;

Provided that nothing herein contained shall permit the Society to carry on any trade, industry, or business and the activities of 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 Province of Nova Scotia.

The registered office of the Society is 1841 Argyle Street, Halifax, Nova Scotia B3J 3A5.

APPENDIX B
BY-LAWS
OF
Halifax 2011 Jeux du Canada Games Host Society

(a) In these by-laws unless there be something in the subject or context inconsistent therewith:

- (a) "Society" means the Halifax 2011 Jeux du Canada Games Host Society;
- (b) "Registrar" means the Registrar of Joint Stock Companies appointed under the Nova Scotia Companies Act;
- (c) "Special Resolution" means a resolution passed by not less than three-fourths of such members entitled to vote as are present in person or by proxy, where proxies are allowed, at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

MEMBERSHIP

- (b) The subscribers to the Memorandum of Association and such other persons as shall be admitted to membership in accordance to these by-laws, and none other, shall be members of the Society, and their names shall be entered in the Registry of Members accordingly.
- (c) For the purposes of registration, the number of members of the Society is unlimited.
- (d) Only those members of the Society appointed to the Board of Directors shall be eligible to vote.
- (e) Membership in the Society shall not be transferable.
- (f) The following shall be admitted to membership in the Society: any person residing in Canada who supports the objects of the Society, is committed to a successful Halifax 2011 Jeux du Canada Games, and is appointed to the Board of Directors in accordance with section 25 of these by-laws.
- (g) No formal admission to membership shall be required and the entry in the Register of Members by the Secretary of the name and address of any organization or individual shall constitute an admission to membership in the Society.
- (h) Membership in the Society shall cease upon the death of a member, or by notice of resignation of membership, in writing, to the Society, or upon the member ceasing to qualify for membership in accordance with these by-laws.
- (i) Any resignation by a member must be in writing, sent to the attention of the secretary of the Society. The resignation takes effect on the date stated in the notice, or,

if no date is given, on the date that the resignation is received. The resignation of a member is also their resignation as a Director (and Officer) of the Society.

FISCAL YEAR

- (j) The fiscal year of the Society shall be the period from April 1 to March 31.
- (k)
 - (a) The ordinary or annual general meeting of the Society shall be held within three months after the end of each fiscal year of the Society.
 - (b) An extraordinary general meeting of the Society may be called by the Chairperson or by the directors at any time, and shall be called by the directors if requisitioned in writing by at least twenty-five per centum (25%) in number of the members of the Society.
- (l) Seven days' notice of a meeting, specifying the place, day and hour of the meeting and, in the case of special business, the nature of such business, shall be given to the members. Notice shall be given in writing, by facsimile or by sending it through the post in a prepaid letter addressed to each member at the member's last known address. Any notice shall be deemed to have been given by facsimile when transmission has been confirmed, and by post at the time when the letter containing the same would be delivered in the ordinary course of post and in providing such service it shall be sufficient to prove that the envelope containing the notice was properly addressed and placed in the post office. The non-receipt of any notice by any member shall not invalidate the proceedings at any general meeting.
- (m) At each ordinary or annual meeting of the Society, the following items of business shall be dealt with and shall be deemed to be ordinary business:
 - (a) Minutes of preceding general meeting;
 - (b) Consideration of the annual report of the directors;
 - (c) Consideration of the financial statements, including balance sheet and operating statement and the report of the auditors thereon;
 - (d) Election of directors for the ensuing year;
 - (e) Election of officers;
 - (f) Appointment of Auditors.

All other business transacted at an ordinary or annual general meeting shall be deemed to be special business and all business shall be deemed special that is transacted at an extraordinary general meeting of the Society.

(n) No business shall be transacted at any meeting of the Society unless a quorum of members is present at the commencement of such business and such quorum shall consist of a majority of members, including a minimum of one representative from each of the municipal, provincial, and federal governments, and from the Canada Games Council.

(o) If within one-half hour from the time appointed for the meeting, a quorum of members is not present, the meeting, if convened upon the requisition of the members,

shall be dissolved. In any case, it shall stand adjourned to such time and place as a majority of the members then present shall direct and if at such adjourned meeting a quorum of members is not present, it shall be adjourned *sine die*.

(p) (a) The Chairperson of the Society shall preside as Chairperson at every general meeting of the Society;

(b) If there is no Chairperson or if at any meeting the Chairperson is not present at the time of holding the same, the Vice-Chairperson shall preside as Chairperson;

(c) If there is no Chairperson or Vice-Chairperson or if at any meeting neither the Chairperson nor the Vice-Chairperson is present at the holding of the same, the members present shall choose someone of their number to be Chairperson.

(q) The Chairperson shall have a vote and, in the case of an equality of votes, the motion shall be defeated.

(r) The Chairperson may, with the consent of the meeting, adjourn any meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting, other than the business left unfinished at the meeting from which the adjournment took place, unless notice of such new business is given to the members.

(s) At any meeting, unless a poll is demanded by at least three members, a declaration by the Chairperson that a resolution has been carried and an entry to that effect in the book of proceedings of the Society shall be sufficient evidence of the fact, without proof of the number or proportion of the members recorded in favour of or against such resolution.

(t) If a poll is demanded in manner aforesaid, the same shall be held such in a manner as the Chairperson may prescribe and the result of such poll shall be deemed to be the resolution of the Society in general meeting.

(u) A resolution in writing signed by every member who would be entitled to vote on the resolution at a meeting is as valid as if it were passed by such members at a meeting and satisfied all the requirements of the Act and these by-laws respecting meetings of members. A resolution so passed shall be deemed to constitute a waiver of all notices required to have been given for that meeting.

VOTES OF MEMBERS

(v) Only those members appointed to the Board of Directors shall be eligible to vote, and each Board member shall have one vote.

DIRECTORS

(w) Unless otherwise determined by general meeting, the number of directors shall not be less than five or more than fifteen. The subscribers to the Memorandum of Association of the Society shall be the first directors of the Society, and shall, within six months of the

Society's incorporation, retire from their positions and be replaced by the first full Board of Directors as established in section 25 of these by-laws.

- (x) Any member of the Society shall be eligible to be appointed a director of the Society.
- (y) The composition of the Board of Directors shall be as follows:
 - (a) One member of the Board shall be the Chief Administrative Officer of the Halifax Regional Municipality, or designate, appointed by the Halifax Regional Municipality;
 - (b) One member of the Board shall be the Deputy Minister of Health Promotion and Protection, or designate, appointed by the Province of Nova Scotia;
 - (c) One member of the Board shall be appointed by the Government of Canada; and
 - (d) Two members of the Board shall be appointed by the Canada Games Council.
- (z) Those organizations appointing members to the Board of Directors shall use best efforts to ensure that the composition of the Board of Directors reflects gender equity and diversity.
- (aa) Directors shall be appointed for a term that expires one year following the closing ceremonies of the Halifax 2011 Jeux du Canada Games.
- (bb) In the event that a director resigns office or ceases to be a member in the Society, whereupon that office as director shall *ipso facto* be vacated, the vacancy thereby created may be filled for the unexpired portion of the term by the Board of Directors from among the members of the Society.
- (cc) The Society may, by special resolution, remove any director before the expiration of the period of office and appoint another person in his or her stead. The person so appointed shall hold office during such time only as the director in whose place he or she is appointed would have held office if that director had not been removed.
- (dd) Meetings of the Board of Directors shall be held as often as the business of the Society may require and shall be called by the Secretary. A meeting of directors may be held at the close of every ordinary or annual general meeting of the Society without notice. Notice of all other meetings, specifying the time and place thereof, shall be given either orally or in writing to each director within a reasonable time before the meeting is to take place, but non-receipt of such notice by any director shall not invalidate the proceedings at any meeting of the Board of Directors.
- (ee) No business shall be transacted at any meeting of the Board of Directors unless quorum of directors is present at the commencement of such business and such quorum shall consist of a majority of the directors, including a minimum of one representative from each of the municipal, provincial, and federal governments, and from the Canada Games Council.
- (ff) The Chairperson or, in the Chairperson's absence, the Vice-Chairperson or, in the absence of both of them, any director appointed from among those directors present shall preside as Chairperson at meetings of the Board.

(gg) A director may participate in meetings of the Board and in meetings of a Committee of the Board by means of such telephone or other communications facilities as permit all persons participating in such a meeting to hear each other and a director participating by such means will be considered to be present at the meeting.

(hh) If the directors call a meeting, those directors may determine that the meeting shall be held entirely by means of a telephonic, electronic or other communications facility that permits all participants to communicate adequately with each other during the meeting.

(ii) The Chairperson shall have a vote, and in the case of an equality of votes, the motion shall be defeated.

(jj) A resolution in writing and signed by all the directors shall be as valid as if it were passed at a meeting of the directors duly called and constituted. A resolution so effected shall be deemed to constitute a waiver of all notices required to have been given for that meeting.

POWERS OF DIRECTORS

(kk) The management of the activities of the Society shall be vested in the directors who, in addition to the powers and authorities by these by-laws or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the Society and are not hereby or by Statute expressly directed or required to be exercised or done by the Society in general meeting. In particular, the directors shall have power to engage a Chief Executive Officer and to determine the duties, responsibilities and remuneration of said Chief Executive Officer. The directors may appoint an executive committee, consisting of the officers and such other persons as the directors decide.

OFFICERS

(ll) The officers of the Society shall be a Chairperson, a Vice-Chairperson, a treasurer and a secretary. The officers of treasurer and secretary may be combined.

(mm) The members shall elect one of their number to be the Chairperson of the Society. The Chairperson shall have general supervision of the activities of the Society and shall perform such duties as maybe assigned by the members from time to time.

(nn) The members may also elect from their number a Vice-Chairperson. The Vice-Chairperson shall, at the request of the members and subject to its directions, perform the duties of the Chairperson during the absence, illness or incapacity of the Chairperson, or during such period of the Chairperson may request.

(oo) (a) There shall be a secretary of the Society who shall keep the minutes of the meetings of members and directors and shall perform such other duties as may be assigned by the members. The members shall appoint the secretary and may also appoint

a treasurer of the Society to carry out such duties as the members may assign. If the members think fit, the same person may hold both offices of secretary and treasurer.

- (b) The directors may appoint a temporary substitute for the secretary who shall, for the purpose of these by-laws, be deemed to be the secretary.

COUNCILS AND COMMITTEES

(pp) The Board of Directors may, from time to time, convene a council or committee when it feels it is necessary to aid in the administration of the Society. Any such council or committee is the creation of the Board and may be disbanded at the pleasure of the Board.

(qq) The Board of Directors may determine the composition of each council or committee, and name individuals to be appointed to such councils or committees. Membership in these committees shall consist of one or more Board members as the Board shall determine, and such individuals selected by the Board from the wider community of the Halifax Regional Municipality, Nova Scotia, or Canada.

AUDIT OF ACCOUNTS

(rr) The auditor of the Society shall be appointed annually by the members of the Society at the ordinary or annual general meeting and, on failure of the members to appoint an auditor, the directors may do so.

(ss) The Society shall make a written report to the members as to the financial position of the Society and the report shall contain a balance sheet and operating account. The auditors shall make a written report to the members upon the balance sheet and operating account, and in every such report, they shall state whether, in their opinion, the balance sheet is a full and fair balance sheet containing the particulars required by the Society and properly drawn up so as to exhibit a true and correct view of the Society's affairs, and such report shall be read at the annual meeting. A copy of the balance sheet, showing the general particulars of its liabilities and assets and a statement of its income and expenditure in the preceding year, audited by the auditor, shall be filed with the Registrar within fourteen days after the annual meeting in each year as required by law.

(tt) The Board shall provide ongoing reports of the Society's activities, and an annual review of its strategic direction, results, and financial position to all government funding entities.

(uu) The Society has power to repeal or amend any of these by-laws by a special resolution passed in the manner prescribed by law.

MISCELLANEOUS

(vv) The Society shall file with the Registrar with its Annual Statement a list of its directors with their addresses, occupations, and dates of appointment or election, and within fourteen days of a change of directors, notify the registrar of the change.

(ww) The Society shall file with the Registrar a copy in duplicate of every special resolution within fourteen days after the resolution is passed.

(xx) The seal of the Society shall be in the custody of the Secretary and may be affixed to any document upon resolution of the Board of Directors.

(yy) Preparation of minutes, custody of the books and records, and custody of the minutes of all the meetings of the Society and of the Board of Directors shall be the responsibility of the Secretary.

(zz) The books and records of the Society may be inspected by any member at any reasonable time within two days prior to the annual general meeting at the registered office of the Society.

(aaa) Contracts, deeds, bills of exchange and other instruments and documents may be executed on behalf of the Society by the Chairperson or the Vice-Chairperson and the Secretary, or otherwise as prescribed by resolution of the Board of Directors.

(bbb) The borrowing powers of the Society may be exercised by special resolution of the members.

(ccc) Directors who have, or could reasonably be seen to have, a conflict of interest have a duty to declare that interest. The declaration should be made to the members:

- (a) upon nomination, and
- (b) if serving as a director, when the possibility of a conflict is realized.

(ddd) A conflict of interest does not prevent a member from serving as a director provided that he/she withdraws from the decision making on matters pertaining to that interest. The withdrawal should be recorded in the minutes.

(eee) Directors and officers shall serve without remuneration and shall not receive any profit from their positions. However, a director or officer may be paid reasonable expenses incurred in the performance of his or her duties.