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Item No. 8.7

Halifax Regional Council
October 16, 2007
October 23, 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: October 9, 2007

SUBJECT: 2011 Canada Winter Games

ORIGIN

- January 25, 2005: Council approved **Phase I** of the 2011 Canada Games Bid
- March 29, 2005: Information Report on **Phase II** of the Bid
- May 24, 2005: Information report on **Phase III** of the Bid
- April 25, 2006: In Camera Information Report
- October 25, 2006: Council adopted Terms of Reference for Bid Committee and Bid budget
- November 7, 2006: Information Report providing information on the Bid Process
- December 12, 2006: Council approved the Canada Games budget and authorized staff to submit the Bid
- January 16, 2007: Council approved Canada Games Hosting Standards
- January 16, 2007: Information Report providing update on Bid process and Bid submission
- February 2, 2007: Halifax awarded 2011 Canada Winter Games
- February 13, 2007: Information Report identifying actions required after award of Canada Games and specifically the need to establish a non-profit Host Society
- March 20, 2007: Council approved the Memorandum of Association and By-laws establishing the 2011 Canada Games Host Society as the non-profit Host Society

RECOMMENDATION

It is recommended that Regional Council appoint a Councillor and the Chief Administrative Officer or his designate as members of the Board of the 2011 Canada Games Host Society.

BACKGROUND

Non-Profit Canada Games Host Society

On February 2, 2007 Halifax was awarded the 2011 Canada Winter Games. Typically, a Games Bid is led by community volunteers with support from a municipality. The Halifax 2011 Bid however was led by the Municipality with assistance from the community.

The Federal Government's Hosting Program does not permit funding to be given directly to municipal governments for events such as the Canada Games. Funding is provided to non-profit community based host societies. In addition, the Canada Games Council requires that upon award of the Games to a community, a non-profit Host Society be incorporated to deliver the Games. After the Canada Games were awarded to Halifax, the Province indicated that it was prepared to commit a portion of its share of the Games budget before the end of the fiscal year if the Host Society could be registered prior to March 31, 2007. On March 20, 2007 Council approved the Memorandum of Association and By-laws establishing the 2011 Canada Winter Games Host Society as an independent legal entity from the Municipality. The Host Society's responsibilities are "To organize, manage, promote and conduct the Halifax 2011 Canada Games."

Interim Board

Five Society members were required in order to establish the Society and register it at the Joint Registry of Stocks. An interim Board was established in order to satisfy these requirements. The Board consists of the two citizen Co-Chairs of the Bid (Colleen Jones and Scott Ferguson), two municipal representatives (Paul Dunphy, Director of Community Development and Mike Labreque, Director of Transportation and Public Works) and a Provincial representative (Lindsay Hugenholtz, Director with the Department of Health Promotion and Protection). Representation from the three government funding partners is mandatory on the Host Society Board, so the interim Board's primary task was recruiting community leaders to serve on the Board and in the interim to carry out all tasks required of the Host Society.

DISCUSSION

Recruitment of Host Society Board

In order to begin moving leadership for the Canada Games into the community, the interim Board sought the assistance of a number of community groups to identify potential Board members for the Host Society. These included the United Way, Greater Halifax Partnership, Chamber of Commerce, Sport Nova Scotia and cultural communities (e.g. Acadian and African-Canadian). A profile of the attributes and skills required for the Board was developed and potential candidates were identified and scored against the criteria (see Appendix "B" for Skills Matrix). The Canada Games Council also suggests as a guiding standard that representatives are selected from each of the business, legal and financial sectors, as well as naming individuals that reflect institutional and community stakeholders

and knowledge of national sport and games organization. As a result of this process seven (7) community members have agreed to serve on the 2011 Canada Games Host Society. In addition, the Canada Games Council, Provincial and Federal governments have identified their Board representatives. The Municipal representative remains to be appointed. (See Appendix “A” for list Host Society Board members.) Once the Municipal representative is appointed, the interim Board of the 2011 Canada Games Host Society will resign and the new Board will assume its responsibilities.

Host Society Priorities

The Games will involve 20 sports, plus cultural performances and community events over a two week period. Approximately 5000 volunteers will be required to deliver the Games. In order to lay the proper groundwork for these activities, over the next several months the Board will focus upon strategic priorities such as governance, policies and procedures (e.g. financial/personnel matters), a management structure for planning and delivering the Games, business planning and project planning.

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, 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.

Multi-party Coordinating Committee

Once the multi-party agreement is signed, a separate multi-party Coordinating Committee with representatives of each of the three government 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.

Host Society Accountability

The Commonwealth Games Bid Society was an arms length society from Regional Council and the Province. In the aftermath of the withdrawal from the Commonwealth Games Bid, it has been suggested that the Commonwealth Games Bid Society did not have sufficient public accountability, particularly to the Municipality. Since the Canada Games Host Society is also an arms length society, there may be questions or concerns about its public accountability. The following points are intended to highlight the differences between the two events as well as the circumstances and mandates of the two societies.

- The Canada Games have a financial funding formula which defines the level of funding from

each level of government. The three levels of government did not have a defined cost sharing formula for the Commonwealth Games and it appeared that a disproportionate amount of the costs might fall to the Municipality.

- Regional Council approved the Canada Games Bid and budget before the Bid was submitted. In the case of the Commonwealth Games Bid, there was uncertainty as to what the final Games budget would be.
- The scope of the approved Canada Games budget cannot change without the approval of all three government funding partners.
- The accepted Canada Games budget and Bid have been a matter of public record since December 2006 and January 2007 respectively. They are available for viewing on HRM's web site along with all of the staff reports and Council minutes, with the exception of one in camera report.
- The scale of the Canada Games budget is approximately \$35M versus an estimate over \$1B for the Commonwealth Games.
- The Canada Games have been hosted for 40 years. No recent Canada Games have resulted in a deficit financial position. Canada Games have produced surpluses that have resulted in significant legacies for sport and the community in general.

BUDGET IMPLICATIONS

There are no budget implications to designating a Municipal representative(s) to sit on the Board of the 2011 Canada Games Host Society.

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

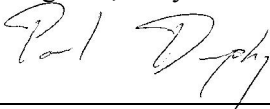
1. It is recommended that Regional Council appoint a Councillor and the Chief Administrative Officer or his designate as members of the Board of the 2011 Canada Games Host Society. This is the staff recommendation.

ATTACHMENTS

Appendix "A" 2011 Canada Games Host Society Board members
Appendix "B" Board of Directors Skill Matrix

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:



Paul Dunphy, Director, Community Development

Financial Approval by:



Anna Marchand, Acting Senior Manager, Financial Services, 490-7222

Appendix "A"
2011 Canada Games Host Society Board members

Community Representatives (7)

Chuck Bridges, University Administrator
Myra Freeman, Former Lieutenant Governor
Jean-Paul Deveau, Energy Sector Executive
Brian Lane, President of Sport Nova Scotia
Lois Dyer Mann, Human Resources Executive
Pat O'Regan, Business Executive
Mervyn Broome, Banking Executive

Canada Games Council (2)

Wayne Trask - Board Member - Canada Games Council (former President of the 1999 Canada Winter Games - Corner Brook, NL)
Sue Hylland - CEO and President - Canada Games Council

Government of Canada (1)

TBD

Government of Nova Scotia (1)

Duff Montgomerie

Halifax Regional Municipality (1)

TBD

Appendix “B” Board of Directors Skill Matrix

The Skills Matrix

The Skills Matrix is a tool designed to assist organizations and planners to strategically consider and analyze representation of skills and experience required on a governing body. This tool can be used to study existing entities or it can be used to help plan the governance of a new venture. In doing this, an analysis of the following is possible:

- (a) The current skills on the board;
- (b) Identification of gaps and risks; and
- (c) Plan to obtain the future skill types.

Limitations

The tool does not determine whether the skill mix is right or wrong, it merely highlights where the skill set and experience reside. Understanding the actual skills and experiences of the board allows the identification of strengths, possible skill gaps and areas of risk with regard to decision making. The tool does not determine the caliber or behaviour of those on a board. That domain resides in human resource policy and an organization’s selection processes.

Rationale

Case studies illustrate that skills and experience of a board has a profound influence on decision-making and policy. For instance, a board with a heavy cultural and social leaning may devote more attention to these types of activities at the expense of commercial and business matters. The reverse is also applicable. A board containing a balanced range of skills and experiences would be more likely to reach more considered decisions and policy.

Commerce and Business Acumen		CONTINUUM			Community and Social	
Commercial	Professional	Business Mgmt	Political	Entrepreneur	Government Relations	Sport/Culture
Skills include: - Finance & Investment - Business Development - National ties	Skills include: - Legal - Accountant - Risk Management - Consulting	Skills include: - Operations Management - Human Resources - Senior Executive - Policy Analysis	Skills include: - Councilor - Lobbyist - Politician - Advocate	Skills include: - Owner - Operator - Manager Local Business	Skills include: - Education - Health - Social	Skills include: - Coach/Athlete - Administrator/ Volunteer - Art/Music/Drama - Minority group representation