



PO Box 1749
Halifax, Nova Scotia
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Item No. 11.1.1
Halifax Regional Council
January 19, 2010

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY:

A handwritten signature in dark ink, appearing to read "Dan English".

Dan English, Chief Administrative Officer

A handwritten signature in dark ink, appearing to read "Wayne Anstey".

Wayne Anstey, Deputy Chief Administrative Officer - Operations

DATE: 29 December 2009

SUBJECT: Canada Games Centre
(formerly Mainland Common Recreation Facility)

ORIGIN

This report deals with the funding shortfall for the Canada Games Centre in the fiscal year 2009/10.

RECOMMENDATION

It is recommended that Halifax Regional Council approve the following:

1. Transfer funding in the amount of \$1,540,000 from capital account CMU00975 Peninsula Transit Corridor to capital account CB100091 Mainland Common Recreation Facility;
2. Approve an increase to capital account CB100091 with funding from the current \$366,000 and future interest earned on funds received from the Province of Nova Scotia on March 28 2008.

BACKGROUND

The Canada Games Centre will be a 176,000 square foot, state of the art facility that promotes healthy and active living for all members of the community and will provide a major new centre for sports training and competition. The main features of the building include an aquatic centre, fieldhouse, running track, fitness centre, and community space.

DISCUSSION

On August 7, 2007, Regional Council approved the reallocation of \$1,540,000 of the Capital Budget from Account CB100091 Mainland Common Recreation Centre to the Hammonds Plains Road Improvements Account CTU01006. The Mainland Common Recreation Centre was identified as one of the projects that had budget in excess of its immediate cash flow. This reallocation was approved with the provision that the funds would be replaced in the following capital year. Returning funding to the project was overlooked during the 2009/10 capital budget, therefore funding must be found elsewhere. Account CMU00975 Peninsula Transit Corridor has been identified as having budget capacity of \$1,540,000 that is not required in the 2009/10 fiscal year. Transit staff have advised that its five-year plan includes using these funds in 2010/11 to carry out planned work, therefore the funds will have to be replaced as part of the 2010/11 capital budget process.

Recommendation #2 of this report addresses the terms of the funding agreement with the Province of Nova Scotia that interest accrued between May 28, 2008 and the construction of the facility is to be directed to the Canada Games Centre.

BUDGET IMPLICATIONS

The proposed transfer of funds between projects will result in a change to the gross, but not the net, capital budgets for 2009/10. The budget availability has been confirmed by Financial Services.

Budget Summary:

Capital Account CMU00975, Peninsula Transit Corridor

Cumulative Unspent Budget	\$ 2,086,237.79
Less: Transfer to CB100091	<u>(\$1,540,000.00)</u>
Balance	\$ 546,237.79

Capital Account CB100091, Mainland Common Recreation Facility

Cumulative Unspent Budget	\$2,407,850.74
Add: Transfer from CMU00975	\$1,540,000.00
Add: Budget increase from interest earned	<u>\$ 366,000.00</u>
Balance	\$4,313,850.74

FINANCIAL MANAGEMENT POLICIES/BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, the approved Operating and Reserve budgets, policies and procedures regarding withdrawals from the utilization of Capital and Operating reserves, as well as any relevant legislation. If approved, there will be an increase to the gross capital budget but not the net.

ALTERNATIVES

Regional Council could decide not to approve the recommendations in this report; however, this is not recommended as it may put at risk the construction deadlines and compromise the funding agreement with the Province of Nova Scotia. This is not a recommended course of action.

ATTACHMENTS

None

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.

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Report Approved by:



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Financial Approval by:



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