



PO Box 1749  
Halifax, Nova Scotia  
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**Item No. 11.1.2**

**Halifax Regional Council  
February 2, 2010**

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

**SUBMITTED BY:**

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Dan English, Chief Administrative Officer

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Wayne Anstey, Deputy Chief Administrative Officer

**DATE:** January 4, 2010

**SUBJECT:** Contribution to the Canada Games Financial Legacy Fund

**ORIGIN**

Remaining funds from the 2014 Halifax Commonwealth Games Candidate City Society were transferred to HRM following wind up of the Society.

**RECOMMENDATION**

It is recommended that Halifax Regional Council transfer \$103,785.95 in remaining funds from the 2014 Commonwealth Games bid to the Halifax 2011 Canada Winter Games Host Society for the Financial Legacy Fund.

## **BACKGROUND**

The Halifax Commonwealth Games Candidate City Society Memorandum of Association indicated that upon dissolution of the Society, any remaining funds, after all liabilities and debts had been settled, would be transferred to the Municipality. As a result, \$103,785.95 has been transferred to the Municipality.

The Board of Directors of the Commonwealth Games Society also passed a motion regarding the recommended use of these funds. It stated that "... any surplus shall be used for the benefit of Commonwealth sport in the Halifax Regional Municipality and Province of Nova Scotia." The Board's motion is not legally binding on the Municipality. Allocation of the remaining funds is at the Municipality's discretion.

## **DISCUSSION**

HRM's Canada Games Bid budget included a \$1,000,000 line item to establish a Legacy Fund. The Halifax 2011 Multi-Party Agreement confirms that the Host Society will budget for the establishment of this Fund. The distribution of this financial legacy will allocate 80% to support amateur sport in Nova Scotia and 20% to the Canada Games Council for the benefit of the Canada Games movement. The \$103,785.95 surplus from the Commonwealth Games Society will be in addition to the \$1,000,000 budgeted for the Canada Games Legacy Fund. No portion of this surplus will be accessed by the Canada Games Council.

The Legacy Fund is intended to help the Canada Games Council achieve its objectives of broadening its focus from the bi-annual two week summer and winter Games events, to additional activities during the intervening two years between events. The Legacy Fund will primarily benefit amateur sport in Nova Scotia including development of athletes, coaches, officials, and volunteers. A secondary benefactor is the development of arts and culture. This commitment for a Canada Games Legacy is not dependent on the Host Society incurring a surplus and reflects the terms of the bid submitted by the Halifax Regional Municipality and accepted by the Canada Games Council.

Incorporating the remaining funds from the Commonwealth Games Bid into the Canada Games Legacy Fund will ensure that the money is available to all 55 recognized sport organizations in Nova Scotia. The Commonwealth Games Bid Society's motion on the other hand would appear to limit use of the funds for "the benefit of Commonwealth Sport". This would exclude winter sports and some common summer sports played in Nova Scotia which are not "Commonwealth" sports (e.g. baseball, football, lacrosse and golf). As mentioned earlier, the Commonwealth Bid Society's motion is not binding on the Municipality. The Municipality has the discretion to apply the remaining funds to the Canada Games Legacy Fund which will potentially benefit a larger number of sport and cultural organizations.

### **Legacy Fund Mandate**

The Halifax 2011 Host Society has established a Legacy Committee which includes representatives from the Government of Canada, the Province of Nova Scotia, HRM, and the Canada Games Council to oversee:

- the development of the Legacy Plan (to be completed 1 year before the Games);

- the implementation of the Legacy Plan (within 1 year after the Games); and
- the development and implementation of the Financial Legacy Fund.

Sport Nova Scotia, a not-for-profit sport federation that provides support, direction and leadership to its members sport organizations has been selected as the Legacy Manager.

#### Legacy Fund Guiding Principles

- That the benefits from the Legacy Fund be available throughout HRM and Nova Scotia.
- That the Legacy Fund be primarily for the benefit of amateur sport in Nova Scotia including athletes, coaches, officials and volunteer development.
- That a secondary beneficiary of the Legacy Fund be the development of arts and culture in Nova Scotia.
- That the Legacy Plan be branded in accordance with the Canada Games movement to ensure Canada Games lives into the future.
- That the work of the Legacy Committee is consistent with the vision, mission and goals of the Canada Games.
- That the Legacy Fund may enhance existing programs or resource allocations by government or non-government agencies.
- That the Legacy Fund leverage other funds where possible.
- That significant long term benefits are given to Nova Scotia sport volunteers.

#### **BUDGET IMPLICATIONS**

Currently, the remaining funds from the 2014 Commonwealth Games bid (\$103,785.95) is being held in Balance Sheet account #885 A/R Commonwealth Games Costs.

Budget availability has been confirmed by Financial Services.

#### **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) Staff recommends that Halifax Regional Council transfer \$103,785.95 to the Halifax 2011 Canada Winter Games Host Society for the Financial Legacy Fund. This use of the money for sport development is consistent with its originally budgeted purpose.
- 2) Halifax Regional Council could choose to allocate the funds to other sport related activities. This is not recommended as it would likely not provide the same magnitude and breadth of impact it will if it is incorporated into the Canada Games Legacy Fund.
- 3) Halifax Regional Council could choose to allocate the funds to other municipal purposes. This would be inconsistent with the original budgeted purpose of the funds. In addition,

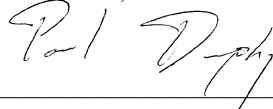
sport organizations are aware that the Commonwealth Games Bid Society recommended that the remaining funds be used for sport development and this has created some expectations.

**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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