

**Halifax 2014 Executive Committee
Meeting
December 21, 2006
7:00 - 11:30 a.m.**

Attending:

Fred MacGillivray (Chair)
Dan English
Wayne Anstey
Ken Bagnell
Duff Montgomerie
Joan Duncan
Tom Jones
Bob Fowler

Scott Logan (Ex-Officio)
Eric Savard (Ex-Officio)
Louann Scallion-Morine (Recorder)

Dale MacLennan (Halifax 2014 Management)
Tony Holding (Halifax 2014 Management)

1. Business Arising from Previous Meetings

a. *Approval of Minutes*

The minutes of the December 11th Executive Committee meeting will be approved during the January 24th meeting.

2. Games Budget

a. *Operating Budget: Working Draft and Scope Options*

A presentation on operating budget progress to date was provided to the committee. Members were asked for direction on capital reductions from this point forward - if the options presented are adequate, or if further reductions are required. The overall budget has been reduced by \$152 million and will have to be reduced by another \$225 million to reach \$1,140 million before VIK. If VIK remains, the reduction amount will be \$345 million.

Members discussed renting versus purchasing seats for the stadium and agreed to make a decision upon reviewing the costs.

Direction: Staff will provide prices for purchasing and renting seats for the stadium.

Staff will provide additional operating (and capital if possible) cuts in order to reduce the combined operating and capital budget to \$1.2 billion before non-budget relieving government VIK.

Decision: The Executive Committee made the following decisions on potential options for capital budget cuts (see table at end of minutes):

- delete the north building in the stadium*
- the stadium will be scoped, and the bid will include 50,000 seats; the number of seats can be revisited at a later date to ensure that the appropriate temporary facility plan exists. If further study determines the number of seats should change, this will be considered by the Operating Committee and partners*
- the stadium roof will remain*
- the track will remain in the stadium post-games*
- the outdoor velodrome will be removed*
- the third floor will be removed from the multi-sport facility*
- Halifax 2014 will not purchase new seats for the Metro Centre*
- Prince Albert/Waverley Road will be included VIK discussions with HRM*
- the money allocated for Exhibition Park will be invested into the Forum.*

Venues and Operations will proceed with obtaining class C estimates based on the direction today.

3. Bid Progress Update

a. Communications

Deborah, with communicators from the three levels of government and other organizations, updated the communications plan, and she reviewed it with Commonwealth Games Canada and Sport Canada. The plan has been executed and is exceeding its goals.

Deborah suggested steps to address the perception of secrecy that remains with the media:

1. Release an update on the bid budget and actual spending information to date.
2. Release the entire bid budget after November 10, 2007.
3. Release salary bands and information on positions.

4. Set up a technical briefing in January.

Action: Deborah Hashey, in collaboration with the three funding partners and Commonwealth Games Canada, will develop a plan that will be shared with the Executive Committee to their satisfaction prior to January 24th. This plan will include dates for the release of information.

Motion: Halifax 2014 will release the international bid budget (to level 2) post bid (November 2007) and provide financial reports on the bid budget and progress updates at regular intervals. Moved by Dan English, seconded by Ken Bagnell. Motion approved.

Motion: Halifax 2014 will release venue, sport and community investment plans in advance of the overall bid being lodged and released. Moved by Dan English, seconded by Ken Bagnell. Motion approved.

b. *International Relations Report*

Halifax's bid is well received internationally, and CGAs are responding positively to the CGA Partner Program.

4. Finance and Administration

a. *November Financial Report*

Dale MacLennan provided members with the November financial report.

b. *Audit Committee Terms of Reference*

Anna Stuart of Grant Thornton developed draft terms of reference for the Audit Committee, which were circulated to Executive Committee members. She will work with Fred MacGillivray to secure an Audit Committee chair for recommendation to the Board of Directors.

c. *Briefing on Provincial Auditor General's Report*

The letter of commitment provided by the Province of Nova Scotia during the domestic bid phase was not approved by Cabinet. The Auditor General will include this information in his report. Department of Finance staff advised Halifax 2014 staff that they intend to concur and advise that it was an oversight and was subsequently addressed.

5. Other Business

a. Organizational Re-alignment

Work completed in the past few months focused greatly on venues and operations planning and the budget, and bid book production has just begun. As Halifax 2014 begins its final phase, its structure will be reviewed.

Action: Staff will provide members with an update on the organizational re-alignment during the January Executive Committee meeting.

b. Bid Partners Committee Meeting

As the multi-party agreement moves forward, members agreed that it is an opportune time for Fred MacGillivray to meet with Premier MacDonald, Minister Barnet, Mayor Kelly and a federal political representative.

c. Mayor's Letter

Executive Committee members reviewed Mayor Kelly's December 12, 2006 letter, requesting that information on the games budget be released to the public.

There being no further business, the chair called for a motion to adjourn.

Optional Capital Budget Cuts

| Item | Potential Cut Description | Capital Cost Reduction 2007 Dollars (before tax) | Retain |
|--------------------------------------|--|--|---------------------|
| Stadium | Delete North Building | \$13,007,269 | |
| | Reduce Stadium Seating back to 40,000 Seats | | \$13,032,030 |
| | Remove Stadium Roof | | \$23,457,654 |
| | Keep Track in Stadium Post-Games | \$ 6,536,883 | |
| Multi-Sport Facility | Outdoor Velodrome | \$ 7,819,218 | |
| | Remove Third Floor | \$ 6,516,015 | |
| Metro Centre | Eliminate New Seats | \$ 1,563,843 | |
| Prince Albert / Waverley Road Course | Find Alternate Road Course for Cycling Time Trials and Triathlon Cycling | | \$ 5,212,812 |
| Community Venues | Move Table Tennis or Boxing to Exhibition Park | | \$ 7,033,247 |
| TOTAL | | \$35,443,228 | \$48,735,743 |