

Governance Review of Controlled Corporations – Governance Details – Engagement Results

ISSUE

City Council has decided to continue with the Controlled Corporation model as a means of governing Saskatchewan Place Association Inc. (SaskTel Centre), The Centennial Auditorium & Convention Centre Corporation (TCU Place) and The Art Gallery of Saskatchewan Inc. (Remai Modern). A series of recommendations are before the Governance and Priorities Committee (GPC) that attempt to build upon and improve the current governance structure. The Controlled Corporations were asked to provide feedback on the recommendations. This report presents the feedback received.

BACKGROUND

This report is intended to be considered alongside the companion report “Governance Review of Controlled Corporations – Governance Details”. The detailed history of this matter is described in the “Governance Review of Controlled Corporations – Governance Details” report.

CURRENT STATUS

The Leadership Team Governance Subcommittee (“Governance Subcommittee”) is continuing the process of reviewing and proposing recommendations for potential improvements to the governance of the City’s various Advisory Committees, Controlled Corporations, Business Improvement Districts and other agencies, boards and commissions established by the City. The report entitled “Governance Review of Controlled Corporations – Governance Details” was tabled at GPC’s public meeting on June 17, 2019 for debate at the November 12, 2019 meeting.

A copy of the report was shared with the Chief Executive Officers (CEOs) of each of the Controlled Corporations on June 13, 2019 via email. They were advised that the report would be placed on the public agenda of GPC for its November 12, 2019 meeting. The CEOs were asked to share the report with their respective Boards and provide feedback on the recommendations. The Governance Subcommittee offered to meet with the Boards to answer any questions.

The Governance Subcommittee further communicated with the CEOs via email on October 4, 2019, attaching a letter from the Governance Subcommittee. The purpose of the October 4, 2019 letter was to provide guidance on the type of questions that should be considered by the Controlled Corporations when providing feedback to the Governance Subcommittee.

Core Committee representatives of the Governance Subcommittee met with the Boards of each of the Controlled Corporations: TCU Place on October 9, 2019, Remai Modern on October 15, 2019 and SaskTel Centre on October 30, 2019. In addition to the

discussion at the meeting, each of the Boards were encouraged to submit written feedback on the report and recommendations. Each Board provided written feedback via email: Remail Modern's was received on October 29, 2019, TCU Place on October 30, 2019 and SaskTel Centre on October 31, 2019.

DISCUSSION/ANALYSIS

The Boards of each of the Controlled Corporations were encouraged to provide written feedback on the "Governance Review of Controlled Corporations – Governance Details" report. The Core Committee representatives undertook to organize and assemble the information for presentation to GPC if the comments were received by October 31, 2019. Appendix 1 presents a compilation of the comments received from the Controlled Corporations related to the respective recommendations of the Governance Subcommittee. In many areas there was agreement with the proposed recommendations. The main areas where the Boards identified suggestions or alternate recommendations include:

- Appointment of Directors
 - Comments varied from maintaining the status quo to having a dual appointment process whereby both the Controlled Corporation and City Council must agree to the appointment. Along that spectrum another Board commented that there should be a mechanism whereby the Controlled Corporation has a means to discuss the rejection by City Council of a candidate for appointment recommended by the Corporation.
- Residency of Directors
 - All of the Controlled Corporations are supportive of permitting the appointment of non-resident directors. Variations to the recommendation suggested are in terms of the number of non-resident Board members permitted and to the voting rights provided to those non-resident Board members.
- Consistent Policies
 - All of the Controlled Corporations appear to accept that the *Directors' Code of Conduct* and *Anti-Harassment Policy* should be updated and apply to all Board members. Divergent views emerge as to how other policies should be established and the level of City involvement in that process.
- CEO Recruitment and Performance
 - While recognizing the potential for participation by the Board members that are also members of Council, a common theme of the Controlled Corporation comments is maintaining the Board's responsibility in CEO recruitment and performance processes.

Appendices 2 through 4 contain the individual submissions presented by each of the Controlled Corporation Boards.

In addition to the written feedback, all the Boards were encouraged to attend GPC for the debate of the report and recommendations.

NEXT STEPS

Corporate bylaws, policies and any other documentation requiring amendment will be completed in accordance with the direction of City Council arising out of debate of the “Governance Review of Controlled Corporations – Governance Details” report and the Controlled Corporation engagement process and feedback received. The Controlled Corporations will be engaged during the drafting process.

PUBLIC NOTICE

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

APPENDICES

1. Summary of Rationale and Engagement Results with the Controlled Corporations
2. TCU Place Report Feedback dated October 30, 2019.
3. Remai Modern Report Feedback dated October 29, 2019.
4. SaskTel Centre Report Feedback dated October 31, 2019.

Report Approval

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