



City of Moose Jaw

COMMUNICATION # EC-2019-0208

TITLE: Review of Third-Party Boards, Committees and Commissions

TO: Executive Committee

FROM: City Clerk/Solicitor's Department

DATE: October 8, 2019

PUBLIC: PUBLIC DOCUMENT

RECOMMENDATION

1. THAT City Operating Agreements with third-party boards, committees and commissions of the City of Moose Jaw reflect the following expectations:
 - a) The City of Moose Jaw would outline the hierarchy of responsibility and support that the role of the City provides for the third-party board of directors, staff and/or volunteers, including committees of Council;
 - b) Third-party board of directors use best practices for governance including Confidentiality, Conflict of Interest and Occupational Health and Safety/Harassment policies;
 - c) City Council members who, through the City Council appointment process, sit on a third-party board, report in writing to the Executive Committee quarterly regarding the status of the third-party board and organization on which they serve providing a brief summary activity in the previous quarter; and
2. THAT Council continue to appoint a Council member to the board of a third party, generally when the capital asset is owned by the City, is managed by a third-party through lease or operating agreement, the organization is aiding Council to reach strategic plan objectives, or the monetary contribution is substantial; and
3. THAT the third-party boards, committees and commissions be required to generally provide:
 - a) Annual Budget Report
 - b) Financial Statement (previous year)
 - c) Budget (upcoming year)
 - d) Annual Report to include what City funding was used for (if an annual request) and outline how objectives of the grant were met; capital maintenance completed on the building; and condition report on the asset and work required
 - e) Strategic Plan (if one exists).

TOPIC AND PURPOSE

The purpose of this report is to provide Council with recommendations as a result of the review of third-party boards, committees and commissions.

BACKGROUND

At the June 24, 2019 Executive Committee meeting, considered was Communication #EC-2019-0056 respecting the City's boards, committees and commissions. Subsequently, at the July 8, 2019 regular meeting of City Council, in part, the following resolution was ratified:

"THAT the review include a determination of which committees need to retain elected member representation as well as whether additional reporting mechanisms could strengthen monitoring of third-party boards receiving City funding; and

THAT a report be provided to Executive Committee by the end of October 2019."

The City of Moose Jaw's third-party and associated boards, committees and commissions are listed below:

Statutory and Associated Boards, Committees and Commissions

- Board of Police Commissioners
- Investment Committee
- Moose Jaw Municipal Airport Authority
- Moose Jaw Public Library Board
- Palliser Regional Library Board
- Wakamow Valley Authority

Third-Party Boards, Committees and Commissions

- Moose Jaw Museum and Art Gallery
- Tourism Moose Jaw
- Moose Jaw Cultural Centre
- Moose Jaw Exhibition Board
- Moose Jaw Humane Society
- South Central Transportation Planning Committee
- South Central Regional Intersectoral Committee
- SUMA
- Moose Jaw Water Stewards

The City also maintains Leases or Agreements with third-party organizations for the use of City facilities:

- Fifth Avenue Collection Ltd.
- Gymtastisks of Moose Jaw Inc.
- Cosmo Senior Citizen's Centre Inc.
- Moose Jaw Ladies Slo-Pitch Inc.

- Moose Jaw Kosekian Judo Club
- Moose Jaw & District Senior's Association Inc.
- W.J. Jones & Son Ltd.
- Moose Jaw Lawn Bowling Club Inc.
- Hillcrest Golf Course
- Lynbrook Golf Course

DISCUSSION

There are historically a number of different reasons why elected members of Council have been appointed to external boards of directors. When the Moose Jaw Cultural Center and Moose Jaw Museum and Art Gallery were created as non-profit corporations to manage City buildings and programs, appointment of an elected member to their respective boards was instituted to ensure close communication with the City and optimal coordination of services. A similar rationale underlay appointment of a City representative to Tourism Moose Jaw. In the case of the Moose Jaw Exhibition Company, the close relationship has existed for over a century.

In a more recent situation, appointment of a non-voting City representative to the Moose Jaw Humane Society Board came on the heels of a particularly difficult service contract negotiation which badly strained relations with the City. Again, the impetus for the appointment was ensuring an optimal flow of information and communication between the parties.

There are various statutory boards where provincial legislation mandates the appointment of elected members. These include the Board of Police Commissioners, Public and Regional Library Boards and the Wakamow Valley Authority. Appointment of elected members is required to comply with respective Acts of the Legislature.

There are other organizations which exist to foster policy development discussions and close communication among local authority officials. These organizations exist more as forums for the sharing of information rather than managers of specific programs and facilities. These organizations include the South Central Transportation Planning Committee, the South Central Regional Intersectoral Committee, the Moose Jaw Water Stewards and SUMA. Maintaining elected member appointments to these organizations is integral to ensuring that Council members stay abreast of and are able to provide input into important areas of policy development and coordination. These important inter-relationships ought to continue. Retaining these Council appointments is therefore recommended.

There are a number of organizations which lease City lands, some of which deliver a service which would otherwise be a municipal purpose, which the City would itself be obliged to deliver. Examples of these include: ball parks, football fields and golf courses. The relationship with these various organizations are managed through either a lease or operating agreement. Typically, direct communication between these organizations and the City is facilitated with senior staff in Administration. The Parks and Recreation Services Director is the main operational point of contact in most cases. This arrangement has worked well to date. There is no need for the City to require a seat at their respective board tables. Rather, as these agreements periodically come up for renewal, applying the reporting requirements set out in the recommendation section would meet the City's needs. By receiving updated information on an annual basis, the City would ensure its

ability to monitor how lessees are stewarding City assets and addressing concerns regarding deterioration in asset value.

The criteria set out in the recommendation section of this report have been applied to analysing existing relationships between the City and third parties. In summary, the bulk of these relationships are working well. Strengthening reporting aspects outlined in the recommendation section will assist the City in monitoring the ongoing stewardship of key City assets. In most cases, ongoing communication and interactions are mutually satisfactory.

In conducting this review, one of the key areas of focus has been to consider the active role of elected representative in some of these external committees. In a perfect world, there would be no end to the number of organizations to which the City could appoint elected representatives. The reality, however, is that most elected members have only a part-time availability, balancing their own occupational requirements, Council duties and family obligations. When a member is appointed to an external agency, the responsibilities go far beyond a two-hour monthly meeting. Preparation for meetings and implementation of decisions often create additional strains on member time. So the dedication of time and effort required in the appointment needs to be balanced with the value add derived from that appointment both to the City as well as the organization. In addition, are there alternatives to maintaining the relationship at the administration level or by other avenues?

In applying the above criteria, a general observation is that there is strong evidence that maintaining most appointments to external boards continues to be appropriate. The appointments form a solid basis of liaison between the City and various organizations. Two-way communication is enhanced and both sides benefit from the ongoing relationship. The sole third-party board where that may not apply to the same heightened degree is the Moose Jaw Humane Society. The Humane Society operates from City land and is contracted to do animal control bylaw enforcement. The organization, however, has a much broader mandate than bylaw enforcement. Further, the addition of a non-voting City Council member was a relatively recent appointment that came on the heels of a difficult contract renewal. Relations, however, have returned to normal and the Executive Director of the Humane Society holds regular quarterly meetings with the Planning and Development Department relative to bylaw enforcement duties. In this particular case, therefore, maintaining alternative avenues of inter connectiveness is workable and retaining a non-voting Council representative going forward is not necessary.

A key decision point centres around conflict of interest, real or perceived, which arises where a Council member contributes to decisions in a third-party organization, which is then reviewed by City Council. Approvals around funding can be particularly problematic. Part VII of the *Cities Act* addresses conflicts of interest of members of Council. In particular, s.114.1 sets out a definition of conflict of interest relating particularly to where a member participates in a decision in the execution of their duties when they reasonably know or ought to have known that the decision involved an opportunity to further their private interests. At the same time s.115(2)g expressly provides that a member of Council does not have a conflict by being a member or director of a non-profit organization or service club.

In many cases there can be a different public perception in situations where an actual conflict does not exist. This is a perception which frequently creates public debate and confusion. In this context, some cities have moved away from appointing elected members to external organizations. This prevents the potential for any real or perceived conflicts arising. This is a position adopted by the City of Regina. Removing Council appointments from all external organizations is an option open to the City of Moose Jaw.

Other cities have retained the practice of appointing members to external organizations. As a best practice some cities have provided briefing sessions to their elected members to ensure they are cognizant of procedures for declaring conflicts of interest where they might occur and properly recusing themselves where required. The Council member should immediately recuse themselves, declare the conflict of interest for the meeting record and leave the meeting. They should make no efforts to influence the outcome of that particular decision. Presuming that the City of Moose Jaw wishes to continue the practice of appointment of elected members to third party groups, these conflict declaration procedures should be addressed to.

It should be stressed that the decision of whether to declare a conflict of interest rests with the individual elected member. Whether an actual conflict would be found is always fact based. The general advice is to err on the side of caution.

OPTIONS TO RECOMMENDATION

Discontinue appointments of elected members to all third-party boards.

COMMUNICATION PLAN

On approval of the recommendation regarding reporting obligations of third parties, these will be communicated annually, in advance of their making funding requests to Council.

On approval of the recommendation regarding City expectations around operating agreements, these will be incorporated into renewal discussions.

STRATEGIC PLAN

These recommendations align with our Strategic Plan value of being solution focused. We are an entrepreneurial civic administration who are looking at ways to review services and optimize results.

PUBLIC NOTICE

Public Notice pursuant to the Public Notice Policy is not required.

PRESENTATION

VERBAL: Mr. Myron Gulka-Tiechko, City Clerk/Solicitor, will provide a brief overview of this report.

ATTACHMENTS

Nil.

REPORT APPROVAL

Written by: Myron Gulka-Tiechko, City Clerk/Solicitor
Tracy Wittke, Assistant City Clerk
Approved by: Jim Puffalt, City Manager
Approved by: Fraser Tolmie, Mayor

To be completed by the Clerk's Department only.

Presented to Regular Council or Executive Committee on _____.

No. _____ Resolution No. _____

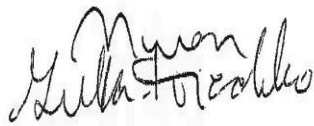
Report Approval Details

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Attachments:	
Final Approval Date:	Oct 22, 2019

This report and all of its attachments were approved and signed as outlined below:



Tracy Wittke



Myron Gulka-Tiechko



Jim Puffalt



Fraser Tolmie