Managing Through Agencies and Corporations & Public Appointments Policy
Background & Context
Why Manage through Agencies and Corporations

• some agencies required by legislation
• engage citizens in decision-making
  – add expertise, experience, commercial view
  – attract funding from outside sources
  – engage stakeholders, volunteers, neighbourhood
• objectivity desirable for quasi-judicial decisions
• focus on single objective, service, or facility
• operate in a commercial environment or objectives beyond core municipal services
Ownership

**City Owned**
- established by City
- City appoints Board and sets rules of operation
- City financially responsible (limited for City Corporations)
  (TTC, Build Toronto)

**Partnered**
(TRCA, Enwave)

**External**
- established by others
- City may nominate members
- City not financially responsible, but may provide some funding
  (CNE Association, Metro Toronto Convention Centre)
# Degree of Autonomy

<table>
<thead>
<tr>
<th>Agency</th>
<th>Corporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Agent of the City</td>
<td>• Independent</td>
</tr>
<tr>
<td>• Council approves budget</td>
<td>• Board finalizes budget</td>
</tr>
<tr>
<td>• City owns the assets</td>
<td>• Corp. owns assets</td>
</tr>
<tr>
<td>• Policies consistent with</td>
<td>• Policies consistent with values of</td>
</tr>
<tr>
<td>Council’s</td>
<td>the City</td>
</tr>
<tr>
<td>• City has full liability</td>
<td>• City’s liability limited to</td>
</tr>
<tr>
<td></td>
<td>investment</td>
</tr>
</tbody>
</table>
2010 Share of Resources

Operating

City: 71%

Agencies: 29%

Capital

City: 53%

Agencies: 47%

Staff

City: 52%

Agencies: 48%
### City of Toronto Agencies and Corporations

<table>
<thead>
<tr>
<th>Agencies ²</th>
<th>Corporations ³</th>
<th>Other Bodies</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Service Agencies</strong></td>
<td><strong>City Corporations</strong></td>
<td><strong>Advisory Bodies</strong></td>
</tr>
<tr>
<td>➢ Board of Health</td>
<td>➢ Build Toronto Corporation</td>
<td>➢ Metro Toronto Pension Plan Board of Trustees</td>
</tr>
<tr>
<td>➢ Exhibition Place</td>
<td>➢ Invest Toronto Corporation</td>
<td>➢ Metro Toronto Police Benefit Fund Board of Trustees</td>
</tr>
<tr>
<td>➢ Heritage Toronto</td>
<td>➢ Toronto Community Housing Corporation</td>
<td>➢ Toronto Civic Employees’ Pension &amp; Benefit Fund Committee</td>
</tr>
<tr>
<td>➢ Police Services Board</td>
<td>➢ Toronto Hydro Corporation</td>
<td>➢ Toronto Fire Department Superannuation &amp; Benefit Fund Committee</td>
</tr>
<tr>
<td>➢ Public Library Board</td>
<td>➢ TEDCO operating as Toronto Port Lands Company (TPLC)</td>
<td>➢ York Employees’ Pension &amp; Benefit Fund Committee</td>
</tr>
<tr>
<td>➢ Sony Centre for the Performing Arts</td>
<td></td>
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<tr>
<td>➢ St. Lawrence Centre for the Arts</td>
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<td></td>
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<tr>
<td>➢ Toronto Centre for the Arts</td>
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<td></td>
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<tr>
<td>➢ Toronto Parking Authority</td>
<td></td>
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<tr>
<td>➢ Toronto Transit Commission</td>
<td></td>
<td></td>
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<tr>
<td>➢ Toronto Atmospheric Fund</td>
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<tr>
<td>➢ Toronto Zoo</td>
<td></td>
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</tr>
<tr>
<td>➢ Yonge-Dundas Square</td>
<td></td>
<td></td>
</tr>
<tr>
<td>➢ Committee of Adjustment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>➢ Committee of Revision</td>
<td></td>
<td></td>
</tr>
<tr>
<td>➢ Property Standards Committee / Fence Viewers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>➢ Rooming House Licensing Commissioner</td>
<td></td>
<td></td>
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<tr>
<td>➢ Sign Variance Committee</td>
<td></td>
<td></td>
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<tr>
<td>➢ Toronto Licensing Tribunal</td>
<td></td>
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<tr>
<td><strong>Administrative Boards</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>➢ Compliance Audit Committee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>➢ Sinking Fund Committee ⁶</td>
<td></td>
<td></td>
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<tr>
<td>➢ Enwave Energy Corporation</td>
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<tr>
<td>➢ Waterfront Toronto</td>
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</tbody>
</table>

### Community-Based Agencies

- Arena Boards (8)
- Association of Community Centre Boards (AOCCs) (10)
- Business Improvement Areas (BIAs) (70+)

### Partnered Corporations

- Metropolitan Toronto Pension Plan Board of Trustees
- Metropolitan Toronto Police Benefit Fund Board of Trustees
- Toronto Civic Employees’ Pension & Benefit Fund Committee
- Toronto Fire Department Superannuation & Benefit Fund Committee
- York Employees’ Pension & Benefit Fund Committee

### Notes:
1. Chart includes agencies, corporations and other bodies. The City also makes nominations for board appointments to a number of external bodies (not on this chart).
2. Previously referred to as agencies, boards and commissions.
3. City Corporations are Ontario Business Corporations Act (OBCA) corporations.
4. Includes quasi-judicial positions.
5. Pension Bodies are Trust Fund Administrators.
6. To be removed if Council approves recommendations in report entitled Managing Through Agencies and Corporations.

Updated: March 2011
Degree of Independence

- corporations
- quasi-judicial
- service agencies
- community – based agencies (Arenas and AOCCs)
Council Currently Approves - for agencies

- relationship frameworks
- composition of board
- method of recruiting board
- operating & capital budgets
- purchase & sale of real property
- capital projects
- borrowing (City borrows on agency’s behalf)
Board Appointments

• Council Members
  – Striking Committee makes recommendation to Council including Mayor’s designates

• Public Members
  – Governed by Public Appointments Policy
  – Appointments made by:
    • Council appoints most boards
    • Community Councils appoint community-based boards (AOCCs, BIASs, arenas)
  – Nomination Processes:
    • CAC through open advertised process for most boards
    • Community Councils short-list for Committee of Adjustment
    • Corporations Nominating Panels for corporations
    • Some nominations from stakeholders or elected by membership
Managing Through Agencies and Corporations
Report
Recommended Actions

• Continue to review governance structures focusing on key opportunities for improvement (Rec. 1)

• Implement accountability mechanisms (Rec. 2)

• Review HR practices (Rec. 3)

• Recommend a framework to govern how City policies apply to categories of agencies (Rec. 4)

• Rationalize structures:
  – dissolve Sinking Fund Committee/Investment Committee (Rec. 5)
  – clarify status of Museum Boards as advisory bodies (Rec. 6)
Recommended Actions

• Accountability Mechanisms (Rec. 2a )
  – Council to appoint the Chairs of agency boards except: AOCCs, BIAs, arenas (Community Councils approve appointments) and Library, Health, and Police (legislation requires that boards elect Chair) and Committee of Adjustment (Planning Act requires appointees to elect Chair)
  – Council to approve agency procedure by-laws
  – Council to establish City by-laws governing structure and financial requirements for agencies
  – Agencies to submit reports through City Manager to assess impact on the City

And continue to develop relationship frameworks for each agency and update existing to reflect Council decisions
Public Appointments
Policy Report
# Changes to Specific Board Compositions

<table>
<thead>
<tr>
<th>Board</th>
<th>Current Councillors + Public</th>
<th>Recommended Councillors + Public</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sony Centre</td>
<td>3 + 9 by invitation</td>
<td>3 + 6 by advertised</td>
</tr>
<tr>
<td>St. Lawrence Centre</td>
<td>2 + 16 by tenants</td>
<td>3 + 6 by advertised + 3 non-voting tenants</td>
</tr>
<tr>
<td>Toronto Centre for the Arts</td>
<td>5 + 7 by invitation</td>
<td>3 + 6 by advertised</td>
</tr>
<tr>
<td>Zoo</td>
<td>6 + 2 advertised + 2 by invitation + 1 Zoo Foundation</td>
<td>2 + 6 by advertised + 1 by TRCA</td>
</tr>
<tr>
<td>Library</td>
<td>5 + 5 by advertised + 3 by invitation</td>
<td>2 + 7 by advertised</td>
</tr>
<tr>
<td>Yonge Dundas Square</td>
<td>1 + 4 BIA + 5 interest group nominees + 4 non-voting staff</td>
<td>1 + 4 by advertised + 2 BIA + 3 interest group nominees + 4 non-voting staff</td>
</tr>
</tbody>
</table>
General Policy Changes to Improve Consistency and Transparency

• Employ open advertised process instead of “Nomination by Invitation” method of recruitment
• Alternates be named for all boards
• Agencies submit record of attendance for incumbents
• Nominees of special interest groups to submit applications
• Add “youthful perspective” as qualification-selected boards
• Extend to all quasi-judicial boards the restriction on Council members from previous term
Recruitment Process Changes

• Standardize process for most agencies
  – Open, advertised process
  – Staff team (including representation from Board) review applications for eligibility, conflicts, qualifications
  – Civic Appointments to short-list, interview, nominate

• Exceptions
  – AOCCs, arenas, BIAs continue to be appointed by Community Councils – no changes for AOCCs and BIAs
  – Arenas use open, advertised process by Community Councils for at-large members, nominations by interest groups cont’d
  – Community Councils continue to short-list for Committee of Adjustment
Implementation Points

• Councillors remain on boards until the end of their appointment terms
• In future, Policy revisions early in term, then appointment process begins
• Spread workload of CAC over 6 months
• Revised Policy will incorporate changes approved by Council and be posted on City website