



REPORT FOR ACTION

Toronto Atmospheric Fund Board request to Amend Board Composition

Date: May 22, 2019
To: Executive Committee
From: City Manager
Wards: All

SUMMARY

At its April 30, 2019 meeting, the Board of Directors of the Toronto Atmospheric Fund (TAF) requested City Council amend the composition of its Board in two ways. One amendment would add one public member to its Board, which would bring its Board membership to 11 members (three Council Members and eight public members), as specified in the TAF Relationship with the City of Toronto, and which the Board feels is consistent with best practice of having an odd number of voting members. The TAF Board also requested an amendment that would permit at least one public member of its Board to be a non-resident of Toronto, to reflect TAF's increased mandate across the Greater Toronto and Hamilton Area that has been made possible through a 2017 endowment contribution from the Government of Ontario. This report provides alternative wording to the recommendations presented by the TAF Board, should Council wish to support or reject either amendment.

RECOMMENDATIONS

The City Manager recommends that City Council:

1. Consider the Toronto Atmospheric Fund (TAF) Board of Directors' request to add one public member to its Board, and either:
 - a) amend the composition of the Toronto Atmospheric Fund (TAF) Board of Directors' to add one public member, which would result in an 11-member Board made of the Mayor or Council-Member designate, two Council Members and eight public members;

OR

b) advise the Toronto Atmospheric Fund (TAF) Board of Directors that City Council does not support amending the composition of the TAF Board by adding one public member.

2. Consider the Toronto Atmospheric Fund (TAF) Board of Directors' request to allow at least one of its public members to be a non-Toronto resident that resides in the Greater Toronto and Hamilton area; and either:

a) amend the composition of the Toronto Atmospheric Fund (TAF) Board of Directors' to allow one of its public members to be a non-Toronto resident that resides in the Greater Toronto and Hamilton area.

OR

b) advise the Toronto Atmospheric Fund (TAF) Board of Directors that City Council does not support amending the composition of the TAF Board to allow one of its public members to be a non-Toronto resident.

FINANCIAL IMPACT

There are no financial implications resulting from the implementation of the recommendations in this report.

The Chief Financial Officer & Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its April 30, 2019 meeting, the Toronto Atmospheric Fund (TAF) Board of Directors adopted an April 12, 2019 report from its Chief Executive Officer entitled "Appointments to the Toronto Atmospheric Fund Board of Directors" that included the recommendations to request City Council, via the City Manager, to increase the composition of the TAF Board of Directors by adding one public member, that the Staff Nominating Panel recommend at least one public member who is a non-resident of Toronto and resides in the Greater Toronto and Hamilton Area (GTHA) for appointment to the TAF Board of Directors, and that City Council waive the Toronto residency criteria for at least one public member of the TAF Board of Directors in order to appoint a non-resident to the Board.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.TA2.5>

City Council at its meeting of December 4, 5 and 13, 2018 adopted recommendations to recalibrate City Council's governance system for 26 members, and reduced the Council member appointments to the TAF Board by two members, which resulted in a new 10-member TAF Board composed of the Mayor or Council Member-designate, two members of Council and seven public members.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.CC1.1>

At its December 8, 2016 meeting, the TAF Board of Directors adopted a November 24, 2016 report from its Chief Executive Officer entitled "Composition of Toronto Atmospheric Fund Board of Directors" that requested that City Council reduce its 12-member Board to a previous composition as 11 members, composed of the Mayor or Council Member-designate, three members of Council and seven public members, to follow best practice of having an odd number of Board members.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.TA13.3>

COMMENTS

The attached April 12, 2019 report from the Chief Executive Officer of the Toronto Atmospheric Fund (TAF) was adopted by the TAF Board at its April 30, 2019 meeting.

City Council has the authority to amend the composition of the TAF Board:

- The *Toronto Atmospheric Act, 2005* ("the TAF Act") defines TAF as a local board under O. Reg 589/06 under the *City of Toronto Act, 2006*. Section 2.2 of the TAF Act grants City Council authority to "establish policies, at its sole discretion, it considers advisable, governing the structure, composition, appointment, removal, meetings and procedures of the Funds Board of Directors, including rules respecting quorum, vacancies and other matters necessary for the board to function."
- Section 7 of the TAF Relationship Framework with the City states that "Council has the authority to alter the composition of the board" and further specifies aspects of the Board, including its composition, the qualifications of its members, and the process by which its members are selected.

Restoring TAF Board composition to 11 members

Section 7.2 of the TAF Relationship Framework with the City specifies that "the Board consists of a minimum of 11 members, at least three of whom shall be Members of Council, appointed by City Council, and 1 of whom shall be the Mayor or a designate appointed by the Mayor."

City Council has previously amended the TAF Board composition by changing the number of Council Members. In 2012, City Council increased the number of members on the TAF Board from 11 to 12 members, composed of the Mayor or Council-Member designate, four Council Members and seven public members. In 2018 Council reduced the TAF Board composition to 10 members, with the Mayor or Council-Member designate, two Council Members and seven public members.

The TAF Board requested in 2016 that Council reduce its composition to 11 members to be consistent with best practice of having an odd number of voting members. Currently, City boards of its agencies and corporations are a mix of both odd- and even-numbered members.

With a current board composition of 10 members, this current request to add another public member position would achieve an odd-numbered Board of 11 voting members and align with the direction of the TAF Relationship Framework.

Amending TAF's Board to reflect its regional mandate

In 2017, the Government of Ontario contributed \$17 million to the TAF endowment to extend TAF's mandate to activities through the Greater Toronto and Hamilton Area (GTHA). With this new regional mandate, the TAF Board seeks Council approval to allow at least one of its public Board members to be a non-resident of Toronto who resides in the GTHA.

Although the Transfer Payment Agreement between the Province, the City and TAF does not require changes to TAF's Board structure or recruitment criteria, the Board seeks Board-level expertise and perspectives from those who live outside Toronto to better deliver its GTHA mandate. TAF's Board also sees this as consistent with the intent of the City's Public Appointments Policy that "City Council also recognizes that the City is best served by boards that collectively reflect the geographic distribution and diversity of the community that they serve."

Council is within its authority to consider a non-Toronto resident for appointment to the TAF Board. However, the City Manager, in consultation with the City Clerks Secretariat, does not support the method that the TAF Board has requested to put this change into effect, as it would be inconsistent with the City's Public Appointments Policy.

The Public Appointments Policy applies to all citizen appointments to the boards of its agencies and corporations, including TAF. Section 2.1 of the Public Appointments Policy specifies that:

"Persons selected for an appointment to boards must be:
(a) residents of Toronto; and
(b) at least 18 years of age (the age of majority in Ontario)."

The Policy also states that "to remain on the board, appointees are required to maintain this status throughout their term of office."

The Staff Nominating Panel must follow the Public Appointments Policy, so cannot currently consider applications from outside of Toronto for the TAF Board. Waiving residency requirements is something City Council has done in very limited circumstances, such as to create a dedicated Board seat for a specific organization that would be appointed by Council but not go through the Public Appointments Policy. This circumstance does not apply with the TAF request.

Should City Council wish to support the request of the TAF Board to allow non-Toronto residents to be appointed to its Board, it should amend the composition of the TAF Board. The City Manager has provided alternative wording in this report recommendations that would accomplish this change.

CONTACT

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SIGNATURE

Chris Murray
City Manager

ATTACHMENTS

April 12, 2019 report "Appointments to the Toronto Atmospheric Fund Board of Directors" from the Chief Executive Officer, Toronto Atmospheric Fund