



REPORT

Council

Meeting Date: May 25, 2021

FROM: Corporate Services Commission

DATE: May 11, 2021

SUBJECT: **Oakville Enterprises Corporation Annual General Meeting and Financial Update, Approval of the 2020 Consolidated Financial Statements, Directors Remuneration, Appointment of Auditors and Appointment of Directors and Chair**

LOCATION: Town wide

WARD: Town-wide

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RECOMMENDATION:

1. That the presentation from Rob Lister, President and CEO of Oakville Enterprises Corporation (OEC) regarding the annual business and financial update, be received.
2. That the resolutions as submitted by the Board Chair of Oakville Enterprises Corporation in the correspondence to the Mayor and Members of Council dated May 7, 2021, with regard to the following matters be approved;
 - a. The appointment of auditors of the Oakville Enterprises Corporation; and
 - b) The compensation for Directors of Oakville Enterprises Corporation and its affiliates be approved, attached as Appendix A.
 - c) The acceptance of the consolidated audited financial statements of Oakville Enterprises Corporation for the year ended December 31, 2020, attached as Appendix B.
3. That the Mayor as shareholder representative pursuant to the Shareholder Declaration, be authorized to sign the resolutions for and on behalf of the Town in its capacity as the sole shareholder.

KEY FACTS:

The following are key points for consideration with respect to this report:

- On a periodic basis, Council is provided with progress reports from Oakville Enterprises Corporation.
- Resolutions of the Oakville Enterprises Corporation Board of Directors are presented annually for Council approval.

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- Oakville Enterprises Corporation audited consolidated financial statements for the financial year ended December 31, 2020, are available for review;
 - KPMG LLP has been recommended for appointment as the auditor of the Oakville Enterprises Corporation.
 - Oakville Enterprises Corporation must seek Council approval for Director compensation.

BACKGROUND:

The Corporation of the Town of Oakville (“the Town”) is the sole shareholder of the Oakville Enterprises Corporation (“Oakville Enterprises”). The unanimous shareholder agreement requires Oakville Enterprises to make periodic reports to Council.

In accordance with the Shareholder Direction, Oakville Enterprises is seeking Council approval of its audited financial statements, the appointment of auditors for the Corporation and director compensation.

Subsection 5(8) of the Shareholder Direction and Unanimous Shareholder Declaration states:

The Board shall recommend annually to the Shareholder for approval, compensation for directors in an amount sufficient to attract directors with necessary qualifications, recognizing Shareholder guidelines, if any.

Members of the Council of the Town of Oakville or Town of Oakville staff who are serving as directors of the Corporation and any of its Affiliates shall do so without compensation from the Corporation and its Affiliates.

COMMENT/OPTIONS:

The resolutions regarding the consolidated financial statements, Directors remuneration and appointment of Auditors in the submission from the Board Chair to the Mayor and Members of Council dated May 7, 2021, attached as Appendix A.

The audited consolidated financial statements of the Oakville Enterprises Corporation, attached as Appendix B.

The appointment of Directors and Chair for the Oakville Enterprises Corporation is contained in a confidential report listed on the Confidential Agenda and distributed to the Mayors, Members of Council and CAO only. The report may be addressed in closed session in accordance with Section 239(2) of the *Municipal Act, 2001* and

Section 2.10(2) of Council's Procedure By-law, as the subject matter has to do with "personal matters about an identifiable individual. Including municipal employees".

Upon Council approval, the names of the appointed Directors and Chair may be released publicly and will be reflected in the minutes of the Council meeting.

CONSIDERATIONS:

(A) PUBLIC

A portion of this matter may be considered in the absence of the public under Section 239(2) of the Municipal Act, 2001 because it deals with

- "personal matters about an identifiable individual, including municipal employees".

(B) FINANCIAL

Oakville Enterprises Corporation is an important asset of the Town.

(C) IMPACT ON OTHER DEPARTMENTS & USERS

N/A

(D) CORPORATE STRATEGIC GOALS

This report addresses the corporate strategic goal(s) to:

- Be accountable in everything we do and to be fiscally sustainable

(E) CLIMATE CHANGE/ACTION

The matter addressed in this report does not directly affect climate change however, Oakville Enterprises Corporation is an important asset of the town and it is important to ensure its growth as our community grows and energy demands change.

APPENDICES:

Appendix A – Appointment of Auditors, Approval of Board Compensation

Appendix B – Submission of the Consolidated Financial Statements from Oakville Enterprises Corporation, for the year ended December 31, 2020.

Submitted by:
Nancy Sully,
Commissioner, Corporate Services