



## REPORT

### Council

**Meeting Date: May 27, 2024**

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**FROM:** Corporate Services Commission

**DATE:** May 14, 2024

**SUBJECT:** OEC Quarterly Update and AGM – May 27, 2024

**LOCATION:**

**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 quarterly 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 27, 2024, 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 as Appendix A.
  - c. The acceptance of the consolidated audited financial statements of Oakville Enterprises Corporation for the year ended December 31, 2023, attached as Appendix B
3. That the Mayor as shareholder representative pursuant to the Unanimous Shareholder Agreement, 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:

- Resolutions of the Oakville Enterprises Corporation Board of Directors are presented annually for Council approval.
- On a periodic bases, Council is provided with progress reports form Oakville Enterprises Corporation.
- Oakville Enterprises Corporation audited consolidated financial statements for the financial year ended December 31, 2023, are available for review.
- KMPG 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 90% shareholder of Oakville Enterprises Corporation (“Oakville Enterprises, OEC”). The unanimous shareholder agreement requires Oakville Enterprises to make periodic reports to Council.

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

Subsection 3.2 (K) of the Unanimous Shareholder Agreement states:

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

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

**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 27, 2024, 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 Mayor, 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 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) COUNCIL STRATEGIC PRIORITIES**

This report addresses Council's strategic priority/priorities: Growth Management and Accountable Government.

**(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 – Correspondence and Annual Resolution

Appendix B – Consolidated Financial Statements from Oakville Enterprises Corporation, for the year ended December 31, 2023

Submitted by:  
Nancy Sully  
Commissioner, Corporate Services and Treasurer