

# Background

The following attachment provides previous Council direction related to AC2022-1217

## Previous Council Direction

### **Shareholder Alignment Review of Wholly Owned Subsidiaries**

DATE	REPORT NUMBER	DIRECTION/DESCRIPTION
2021 September 09	AC2021-1354	<b>Shareholder Alignment Review of Wholly-Owned Subsidiaries</b> Held confidential pursuant to Section 24 (Advice from officials) of the Freedom of Information and Protection of Privacy Act. Review By: 2023 December 31
2021 July 22	AC2021-1061	<b>Shareholder Alignment Review of Wholly-Owned Subsidiaries</b> Held confidential pursuant to Section 24 (Advice from officials) of the Freedom of Information and Protection of Privacy Act. Review By: 2021 December 31
2020 November 19	AC2020-1321	<b>Shareholder Alignment Review on Wholly-owned Subsidiaries (Verbal),</b> That with respect to Verbal Report AC2020-1321, the following be approved: That Audit Committee:1. Appoint a Working Group of Audit (Working Group) to oversee a Shareholder Alignment Review of Wholly-Owned Subsidiaries (Shareholder Alignment Review) with composition as follows: Chair of Audit, Councillor Evan Woolley <sup>1</sup> Councillor Member of Audit, Councillor Jeff Davison <sup>2</sup> Citizen Members of Audit, Citizen Representative Lori Caltagirone and Citizen Representative Mike Lambert, Acting City Auditor, Liz Ormsby; Manager, Treasury, Aaron Brown, Manager, The Office of Partnerships, Lori Kerr, Executive Advisor to Audit Committee, Corrie Smillie, Deputy City Solicitor, Law, Denise Jakal 2.Direct the Executive Advisor of Audit Committee to bring Terms of Reference for the Working Group to the 2021 January 28 Audit Committee for approval. 3. Direct that the framework for the Shareholder Alignment Review includes the following: a. Review of the mandate of each subsidiary for alignment with the goals and purpose of The City of Calgary; b. Review of the risk and opportunity profile presented by each subsidiary to The City of Calgary; c. Review of each subsidiary's operating, financing and investing stewardship

		<p>processes in place to achieve their mandates, including processes and internal controls over business planning, budgeting, capital raising, debt limitations and covenants, and investing activities; d. Review the returns received by The City from the wholly-owned subsidiaries where applicable; e. Review the risk management programs of subsidiaries, including programs to manage financial, physical, environmental, safety and reputational risks; f. Review applicable shareholder governance documents, such as Unanimous Shareholder Agreements or other agreements, that may guide or affect the shareholder oversight of the subsidiary, and consider whether provisions for shareholder oversight are suitable to the goals, risk profile, and general requirements of the shareholder; g. Review the governance model of each subsidiary, and evaluate relative to leading practices used for similar or comparable subsidiary relationships; h. Review the communication, reporting, and accountability of wholly-owned subsidiaries to Council, Administration and the citizens of Calgary and; i. Identify any opportunities for improvement, and make recommendations, generally and individually, for the wholly-owned subsidiaries. 4. Direct the Working Group to oversee both the selection of an external consultant to perform the Shareholder Alignment Review as well as providing ongoing oversight of the consultant throughout the review; 5. Direct the Working Group to report to the 2021 January 28 Audit Committee meeting with the framework and a work plan for the Shareholder Alignment Review, considering advice, if any, that may be sought from Deloitte; and 6. Direct that the Closed Meeting discussions remain confidential pursuant to Section 16 (Disclosure harmful to economic interests of a third party) and 24 (Advice from officials) of the Freedom of Information and Protection of Privacy Act, to be reviewed by 2035 November 19.</p>
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