Committee of the Whole
Strategic Planning Session
MINUTES
9:00 a.m.
October 29, 2007
Albion Room, Hamilton Convention Centre

Present: Mayor F. Eisenberger
Councillors B. Bratina, B. Clark, C. Collins, S. Duvall,
T. Jackson, B. McHattie, S. Merulla, M. Pearson, D.
Mitchell R. Pasuta, M. McCarthy, T. Whitehead

Absent with regrets: Councillors L. Ferguson, B. Morelli – Personal
Business
Councillor R. Powers

Also Present: G. Peace, City Manager
J. Rinaldo, General Manager, Finance and Corporate
Services
S. Stewart, General Manager,
T. McCabe, General Manager, Planning and
Economic Development
J. Priel, General Manager, Community Services
J. Kay, General Manager, HES/Fire Chief
Dr. E. Richardson, Medical Officer of Health
M. Gallagher, Co-ordinator

THE FOLLOWING WAS REPORTED TO CITY COUNCIL FOR INFORMATION:

1. CHANGES TO THE AGENDA

No changes

2. DECLARATIONS OF INTEREST

None
3. REMARKS BY MAYOR EISENBERGER

Mayor Eisenberger noted that today’s session was not budget related but a Strategic Planning Session.

The Mayor introduced Dr. Bart, the facilitator for today’s session.

4. DISCUSSION ITEMS

Note: 9:00 a.m. to 11:00 a.m. – Members of Council Only
11:00 a.m. – Members of Council and Senior Management Team

Facilitator: Dr. Chris Bart, Professor of Strategic Market Leadership (Strategy & Governance) at the DeGroote School of Business, McMaster University, provided an overview of his experience with various boards, large and small organizations, private and public and volunteer situations.

Council began their meeting by discussing Roles and Responsibilities and Municipal General Powers.

Dr. Bart reviewed the reporting structure of the Corporate Governance model. This model consisted of Owners (Shareholders/members/City of Hamilton taxpayers and voters/Province of Ontario) and Board of Directors/Council and Senior Management.

In this model, the Board holds senior management accountable for managing all relationships with stakeholders.

He highlighted that you need agreed upon objectives to hold senior management accountable.

Dr. Bart reviewed the council/management relationship. What control should city council have over senior management? Control is a set of high level performance objectives for the city – social services, environment, health and education.

At the end of the day do we have confidence in senior management to meet the high level objectives for the city?

Council recognizes and sets priorities.
Strategy and strategic directions drive the budget.

The objective of good governance is to enhance executive decision-making and in so doing improve organizational performance and create viable and sustainable organizations.

There still remains real problems in governance:

Directors/Councillors don't seem to now what to do:
- micro managing – managers of the organization
- rubber stamping
- conflicting messages to staff from board and executive
- board/council indecisiveness/consumed by trivia
- Board/Council chaos

No clearly defined “best practices”
Poor role clarity: who does what?

Key risks and issues related to how boards/councils operate
- chair/mayor leadership style
  task oriented leadership
- board/council dynamics at meetings
  - having the wrong governance structure and board processes
  - lack of time to invest
  - inevitable complex relationship between boards and their CEO/CAO
- free riders
- lack of information sharing

Independence can make these problems worse
How to mitigate risk associated with bad governance

Role of Council Enhanced – as per the Municipal act
General Responsibilities of the Board and each director

The Major Governance Decision – are the directors/councilors “managers” or supervisors?
Legal Responsibilities – fiduciary duty, duty of care, duty of loyalty, duty of obedience

Three most important tasks of a board/council
How does a board/council add strategic value to an enterprise?

Strategy - The strategy for any organization includes a statement
At 11:30 a.m., Senior Management Team joined the members of Council in their session.

Dr. Bart briefly reviewed what council had discussed during the presentation.

Members of Senior Management Team were provided an opportunity to address council and highlighted the following:
- This is an opportunity for communication between Council and SMt
- Clear sense of direction makes it easier to achieve the goals of council.
- Achieve the same thing, what is best for the community
- Develop implementation plans with council
- Need resources for priorities

Dr. Bart suggested each member of Council receive a copy of the Oakville Strategic Plan for their review. The City Manager acknowledged that he would provide that information.

The session adjourned at 12:20 p.m.

Respectfully submitted,

Mayor F. Eisenberger

M. Gallagher, Co-ordinator
Council, Committee of the Whole/Budgets