

**PACIFIC NATIONAL EXHIBITION
BOARD OF DIRECTORS MEETING
MONDAY JUNE 12, 2023
4:00pm – Virtual via Webex
Business Portion**

M I N U T E S

Chair Kirby-Yung called the meeting to order at 4:08pm

Present: Sarah Kirby-Yung, Chair
Patrice Impey, Treasurer
Raj Sihota, Director
Paul Mochrie, Director
Maury Kask, Director
Ty Speer, Director

Shelley Frost, President & CEO
Stacy Shields, Vice President, People & Culture
Karen Massicotte, Vice President, Sales and Marketing
David Crawford, Vice President, Finance and Corporate Services
Salome Valente, Executive Assistant / Corporate Secretary
Lara Mickel, Executive Assistant, Operations

Regrets: Rachel Roy, Director

There being a quorum present and due notice having been given, the meeting was declared to be constituted for the transaction of business.

1. ADOPTION OF AGENDA

**MOVED by Director Ty Speer
SECONDED by Director Patrice Impey**

Resolved that the agenda for the Business Portion of the Board of Directors meeting for Monday June 12, 2023 is adopted.

CARRIED UNANIMOUSLY

2. ADOPTION OF MINUTES

**MOVED by Director Patrice Impey
SECONDED by Director Raj Sihota**

Resolved that the minutes for the Business Portion of the Board of Directors meeting for Thursday April 6, 2023 are adopted.

CARRIED UNANIMOUSLY

3. BOARD COMMITTEE UPDATES

3.1 Governance and Policy Committee

Director Maury Kask, Chair of the Governance and Policy Committee updated that the committee met on Tuesday June 6th and discussed the following items:

- Board Remuneration Policy (on today's agenda for approval)
- Board Evaluation Tool (on today's agenda for information)
- Board Committee Composition (on today's agenda for discussion)
- Reviewed Board annual planning calendar
- Work on next steps of Risk Management plans and development of Data Governance policy to start in the fall.

3.2 Audit and Finance Committee

Director Patrice Impey, Chair of the Audit and Finance Committee updated that the committee had not met since the last Board of Directors meeting but would be meeting on Wednesday July 5th prior to the next Board of Directors meeting.

3.3 HR and Compensation Committee

Chair Sarah Kirby-Yung advised that Donnie Rosa was no longer with the City of Vancouver and therefore no longer on the PNE Board or the HR and Compensation committee. Chair Sarah Kirby-Yung added that there is a meeting scheduled for July 4th to discuss CEO compensation and that she would be chairing that meeting.

4. MATTERS ADOPTED ON CONSENT

**Moved by Director Ty Speer
Seconded by Director Patrice Impey**

Resolved that the Board of Directors adopt Reports 4.1, 4.2, 4.3, 4.4, 4.5, 4.6, 4.7 and 4.8 on consent.

CARRIED UNANIMOUSLY

5. PRESENTATIONS/DECISIONS/DISCUSSIONS

5.1 Year End Financial Statements – March 31, 2023 (Unaudited)

The unaudited year-end financial statements were provided in the Board of Directors packages for review. David Crawford provided an overview of the financial statements.

The Board noted that PNE staff should ensure there are clear explanations in the financials and annual report regarding the additional revenue from government funding and that the funding makes this year's financial results anomalous.

5.2 Master Plan Update

An updated presentation on the Amphitheatre redevelopment project was provided in the Board of Directors packages for review. Shelley Frost and Karen Massicotte delivered the presentation.

Shelley Frost also noted that an extraordinary PNE Board meeting would be scheduled the following week to review in more detail and approve scope changes and related budget adjustments.

Director Maury Kask inquired if there were any learnings that the PNE was going to take to Council regarding the increases. Shelley Frost replied that the report would recognize challenges with underground site infrastructure, site spacial adjustments as well as construction industry cost escalations since original estimates were completed.

Director Ty Speer inquired about ensuring appropriate project contingency levels and suggested the management complete scenario planning. He also cautioned not to conflate revenues and costs as the costs will be what they are.

Director Paul Mochrie noted that scope additions are to ensure adequate revenue generation opportunity and noted there is risk related to timelines and project completion dates as FIFA requirements are unknown right now.

Chair Sarah Kirby-Yung inquired if a delineation of costs had been made as to what are costs for site readiness and what are Amphitheatre specific costs. Director Patrice Impey replied that some of the underground infrastructure upgrades are covered through the HPR fund.

Directors Ty Speer felt that staff needed to be mindful of where cost increases are coming from as not everything is known and we don't know if anything else will come up. We should have enough contingency for backup plan.

Chair Sarah Kirby-Yung also noted that there needs to be a recognition that the PNE is both a commercial and community site and if it was only for profit then the pay back would be faster. Therefor payback is not optimized financially because of the community aspect of the venue.

Director Patrice Impey noted that the construct in the Master Plan was that the Amphitheatre would be self-funding even with the community mandate.

Shelley Frost shared that the next steps would be to finalize increased costs with consultants and REFM and then bring the summary to the Board of Directors with financial analysis of payback and sensitivity analysis.

5.3 2022 Corporate Priorities Status

The progress report on the 2022 Corporate Priorities was provided in the Board of Directors packages for review. Stacy Shields reviewed the report and highlighted key areas.

5.4 Board Remuneration Policy - approval

The revised PNE Board of Directors remuneration policy was provided in the Board of Directors packages for review and approval. Shelley Frost reviewed the policy, highlighting the updated areas.

Director Maury Kask noted that the changes may look significant but other comparable organizations have been market adjusting every year and the PNE rates have not been reviewed since 2016. Noting the construct of the bylaws, the Governance committee supports the proposed changes.

Director Paul Mochrie supported the motion, but noted the by-law should be revisited to adjust the way Board compensation is addressed within it.

Shelley Frost noted that the PNE has some other changes that they would like to make to the by-laws and therefore were going to wait and go to Council with all the changes at once.

Director Paul Mochrie felt that the terms remuneration vs reimbursement of expenses might bring up questions about what is being reimbursed. Shelley Frost acknowledged the language issue and noted that once we receive final confirmation from BCLC, that change will be ready to take to Council.

Director Paul Mochrie expressed that this should be done now, rather than waiting for full by-law changes and doesn't think it will be too difficult to get to Council quickly.

Director Patrice Impey cautioned that it will be a taxable item if changing to remunerations.

MOVED by Director Paul Mochrie
SECONDED by Director Maury Kask

Resolved that the PNE Board of Directors approve the revised Board Policies and Procedures 1.1 – Expense Reimbursement as presented with new remuneration rates to be applied retroactively to April 1, 2023 coinciding with the PNE fiscal calendar.

CARRIED UNANIMOUSLY

5.5 Committee Membership (HR/Comp, Governance, Finance/Audit) – approval

The current structure of each of the committees was provided in the Board of Directors packages for review. Shelley Frost reviewed the current structure, expressed that the Governance Committee felt adding an additional committee member to each would be advantageous. She asked if any of the Board members were interested in joining one, or an additional committee.

Director Patrice Impey indicated that it might be good to have some one from the City of Vancouver on the HR & Compensation committee. Director Paul Mochrie added that if it would be helpful to have a COV person then he could help.

Several other directors indicated they would be willing to step onto committees as well. Shelley to take the recommendations and then bring back for approval at the next Board of Directors meeting in July.

5.6 CEO Evaluation 2022/23

Shelley Frost updated the Board of Directors that she would be setting up a survey for the CEO evaluation. She indicated this year, Board would be scoring her on a series of engagement and performance objectives in addition to soft skills. Shelley Frost also noted that last year she was provided the full range of scores given for each question but would appreciate for this year, to be provided with the single score, that the Board agrees on, for each question. The survey will come out in the next few weeks.

6. NEXT BOARD MEETINGS

It was agreed that the next Board of Directors meetings would be July 6, 2023 (In Camera and Business Portions), October 26, 2023 (In Camera and Business Portions) and December 7, 2023 (In Camera, Business & Public Portions).

7. NEW BUSINESS

None

8. ADJOURNMENT OF BUSINESS PORTION OF MEETING

MOVED by Director Maury Kask

SECONDED by Director Patrice Impey

Resolved that the Business Portion of the Board of Directors meeting be adjourned at 5:52pm.

CARRIED UNANIMOUSLY