

**PACIFIC NATIONAL EXHIBITION
BOARD OF DIRECTORS MEETING
THURSDAY JULY 6, 2023
9:00am – Hastings Room
Business Portion**

M I N U T E S

Chair Kirby-Yung called the meeting to order at 9:43am

Present: Sarah Kirby-Yung, Chair
Patrice Impey, Treasurer
Raj Sihota, Director
Paul Mochrie, Director
Rachel Roy, 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

Regrets: Maury Kask, Director
Ty Speer, Director
Armin Amrolia, 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 Rachel Roy
SECONDED by Director Paul Mochrie

Resolved that the agenda for the Business Portion of the Board of Directors meeting for Thursday July 6, 2023 is adopted.

CARRIED UNANIMOUSLY

2. ADOPTION OF MINUTES

MOVED by Director Raj Sihota
SECONDED by Director Patrice Impey

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

CARRIED UNANIMOUSLY

3. BOARD COMMITTEE UPDATES

3.1 Governance and Policy Committee

As Director Maury Kask, Chair of the Governance and Policy Committee was away, committee member and Director Rachel Roy provided the update on his behalf.

- The Governance and Policy Committee has not met since the June 12th board meeting. With the great help of PNE management, the committee completed the 2023 work plan and have brought forward several items, including:
 - Independent Director external recruitment plan (completed in Spring 2023)
 - Board Remuneration Policy Review (approved at June 12th Board meeting)
 - Board Committee Composition (on today's agenda for review and Board approval)
 - Risk Management and Data Governance Board oversight will be started in the fall.
 - Board Evaluation Tool (target of Fall 2023 for distribution)
 - A dedicated board strategic planning session continues to be contemplated for the fall, but no decisions have been made at this point and any input from the board about the value of holding a 1/2-day session would be appreciated.
 - The Board agreed that a strategic planning session was a good idea.
 - Director Rachel Roy suggested as part of the planning session that the role of the Board be discussed (ie. Operational Board or a strategic Board)
 - The Board also suggested using a facilitator that the PNE has used in the past and is quite familiar with the PNE organization. Shelley Frost agreed to bring back some suggestions of facilitators.

3.2 Audit and Finance Committee

Director Patrice Impey, Chair of the Audit and Finance Committee updated that the committee had met on Wednesday July 5th to review in detail the audited financials with the KPMG Auditors. Director Patrice Impey added that it was a clean audit, and the committee is recommending approval of the audited financials.

Director Patrice Impey also updated that the Committee reviewed reports on Asset Management and Risk Management, the Launch Coaster report being presented at today's Board meeting, cash flows and updates on the outstanding items from the internal audit.

3.3 HR and Compensation Committee

Chair Sarah Kirby-Yung updated that the Committee had not met since the last Board 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, 4.4, 4.4.1, 4.4.2 and 4.4.3 on consent.

CARRIED UNANIMOUSLY

4.3 Amphitheater Business Case Summary

The review of the 2019 (original), 2021 (update) and 2023 (update) PNE Amphitheatre Business Case Assumptions were provided in the Board of Directors packages for review.

Director Rachel Roy inquired on the cost increases presented in the business case summary. Shelley Frost reviewed the business case summary to provide further clarification on where the cost increases came from.

5. PRESENTATIONS/DECISIONS/DISCUSSIONS

5.1 2022 Audited Financial Statements – March 31, 2023

The 2022 Fiscal Year Audited Financial Statements were provided in the Board of Directors packages for review.

MOVED by Director Patrice Impey
SECONDED by Director Rachel Roy

Resolved that the Pacific National Exhibition's 2022 Fiscal Year Audited Financial Statements be approved.

CARRIED UNANIMOUSLY

5.2 2022 Strategic Plan Metrics Summary

An update on the 2022 -2023 Strategic Plan Metrics was provided in the Board of Directors packages for review. Stacy Shields reviewed each of the metrics and highlighted key areas.

Chair Sarah Kirby-Yung inquired on what the messaging will be to the public on the escalation of the costs of the Amphitheatre as this would also be good information for the Board to have. Discussed suggestions included focus on revenue opportunities, pay back plan, not a cost to taxpayers, increase in jobs, and a turn key community facility.

5.3 Launch Coaster Update

A project status update with increased capital budget related to the Launch Coaster was provided in the Board of Directors packages for review. Shelley Frost delivered the presentation.

Chair Sarah Kirby-Yung enquired on how this type of escalation can be avoided in the future with other projects. Shelley Frost replied that this is a very complex site and there were unfavorable geotechnical results as well as sewer and electrical upgrades that needed to be done. She also indicated that building in better project contingencies will be a priority and looks forward to having a VP dedicated to facilities and maintenance on board for better project oversight.

David Crawford added that most PNE capital projects undertaken are not at the scale of the Launch Coaster project and so we do not usually run into cost escalations of this magnitude.

MOVED by Director Paul Mochrie
SECONDED by Director Raj Sihota

Resolved that the PNE Board of Directors approve the escalation costs of \$16.8M for the Launch Coaster project.

CARRIED UNANIMOUSLY

5.4 Committee Appointments

A presentation on the proposed adjustments to the PNE Board committee composition was provided in the Board of Directors packages for review. Shelley Frost reviewed the recommendations for each committee.

MOVED by Director Paul Mochrie
SECONDED by Director Raj Sihota

Resolved that the following Board members be appointed to these respective committees:

- Ty Speer – Chair, HR & Compensation Committee
- Patrice Impey – Member of the HR & Compensation Committee (until such time that a new GM of the Park Board is appointed to the PNE Board)
- Maury Kask – Member of the Audit and Finance Committee
- Raj Sihota – Member of the Governance Committee
- Paul Mochrie – Member of the Governance Committee

CARRIED UNANIMOUSLY

6. **NEXT BOARD MEETINGS**

Chair Sarah Kirby-Yung indicated that there might be some conflicts with the next set of Board meetings on October 26, 2023 (In Camera and Business Portions) and December 7, 2023 (In Camera, Business & Public Portions)

7. **NEW BUSINESS**

6.1 Billboards

Shelley Frost shared that the PNE is interested in exploring options related to having billboards back on site and if the Board was open to this then staff would bring back more information at the next Board meeting.

Director Paul Mochrie noted that currently the City of Vancouver's sign by-law does not permit digital billboards, but it is something that is currently on the table for discussion. Chair Sarah Kirby-Yung suggested that the PNE be part of this conversation.

Director Rachel Roy suggested waiting until the City decides what to do until the PNE brings back billboards so as not to cause concern with the neighbors especially since it is not currently allowed per the City's by-law.

The Board of Directors asked for staff to provide a briefing note at an upcoming Board meeting with further details.

8. ADJOURNMENT OF BUSINESS PORTION OF MEETING

MOVED by Director Rachel Roy

SECONDED by Director Paul Mochrie

Resolved that the Business Portion of the Board of Directors meeting be adjourned at 11:05am.

CARRIED UNANIMOUSLY