

St. Catharines Hydro Inc.  
(The Corporation)

MINUTES OF ANNUAL SHAREHOLDER'S MEETING

Council Chambers, City Hall, 50 Church Street, St. Catharines

Monday, May 26, 2014, 5:15 p.m.

**Present:** Mayor Brian McMullan  
Councillors Jeff Burch, Dawn Dodge, Mark Elliott, Joseph Kushner,  
Matt Harris, Laura Ip, Bill Phillips (arrived 5:31 p.m.), Peter Secord,  
Len Stack (arrived 6:07 p.m.), and Bruce Williamson (arrived 5:20 p.m.)

**St. Catharines Hydro Inc. Board** Robert Marshall, SCHI & SCHGI Chair  
Rob Cary, SCHI Vice Chair & SCHGI Director  
John Bergsma, SCHI Director & SCHGI Vice Chair  
Timothy Curtis, SCHI & SCHGI Director  
Annette Poulin, SCHI & SCHGI Director  
Frank Perri, General Manager  
Pat Yanik, Recording Secretary  
Mark Palumbi, CA, Auditor, Crawford Smith & Swallow

**Officials Present:** Dan Carnegie, Chief Administrative Officer  
Nicole Auty, Director of Legal and Clerks Services/City Solicitor  
John Sim, Manager, Accounting & Payroll, Financial Management Services  
Deanna Haine, Committee Secretary

**By Invitation:** Max Cananzi, President & CEO, Horizon Holdings Inc.  
John Basilio, Senior VP & CFO, Horizon Holdings Inc.

**Absent:** Councillors Mathew Siscoe and Jennifer Stevens, and David Heath,  
Director

**Constitution of Meeting**

The Chair, Robert Marshall, took the Chair and called the meeting to order in Council Chambers, City Hall, at 5:17 p.m. The Chair noted those present, namely the sole Shareholder as represented by Mayor McMullan and the Council of The Corporation of the City of St. Catharines; City Staff; Directors of the Board; Auditor, Crawford Smith & Swallow; and those present by invitation.

The Chair then confirmed notice being given, declared the meeting to be constituted for the transaction of business, and proceeded with his opening remarks accompanied by a slide presentation.

## **Approval of Minutes**

The Chair presented the Minutes of the Annual Meeting of the Shareholder held on May 13, 2013, and called for comments or questions. Having no comments or questions, the Chair called for a resolution of the Shareholder to approve the Minutes.

### **Resolution No. S2014-001**

Moved by Councillor Kushner

Seconded by Councillor Elliott

**Resolved** that the Minutes of the Annual Shareholder's Meeting held on May 13, 2013, be approved as circulated.

**Carried**

The Minutes of the Special Shareholder Meeting held on August 12th, 2013, were then presented. Having no comments or questions, the Chair called for a resolution of the Shareholder to approve the Minutes.

### **Resolution No. S2014-002**

Moved by Councillor Dodge

Seconded by Councillor Williamson

**Resolved** that the Minutes of the Special Shareholder Meeting held on August 12, 2013, be approved as circulated.

**Carried**

## **Presentation of Auditors' Report for 2013**

Mark Palumbi, CA of Crawford, Smith & Swallow presented the Auditors' Report for 2013. Mr. Palumbi highlighted items in the Audited Consolidated Financial Statements for St. Catharines Hydro Inc.

## **Approval of Audited Financial Statements**

The Chair asked for further comments or questions regarding the Audited Financial Statements. Having no comments or questions, the Chair called for a motion of approval.

### **Resolution No. S2014-003**

Moved by Councillor Burch

Seconded by Mayor McMullan

**Resolved** that the Audited Consolidated Financial Statements, including the Balance Sheet as of December 31, 2013, the Statement of Profit and Loss for the fiscal year of the Corporation ended on such date are hereby approved and adopted.

**Carried**

### **Appointment of Auditor**

The Chair stated that the City had appointed Crawford Smith & Swallow as their Auditor and that St. Catharines Hydro chooses to contract the same firm that the City uses. He then called for a resolution of the Shareholder appointing the Auditor of the Corporation of St. Catharines Hydro Inc.

#### **Resolution No. S2014-004**

Moved by Councillor Kushner

Seconded by Councillor Dodge

**Resolved** that the appointment of the Auditor of the Corporation, Crawford, Smith & Swallow, be the same firm chosen by the City of St. Catharines, pursuant to their required selection process which was finalized the week of October 26, 2010, for a 5 year period, January 2010 to December 31, 2014, and therefore, includes the audit of 2014 and 2015 AGM presentation, and authorizes the Directors to fix the Auditors' remuneration.

**Carried**

### **Presentation of 2013 Annual Report**

The Chair presented the 2013 Annual Report.

### **Approval of 2013 Annual Report**

The Chair called for a resolution of the Shareholder to receive the 2013 Annual Report.

#### **Resolution No. S2014-005**

Moved by Mayor McMullan

Seconded by Councillor Stack

**Resolved** that the 2013 Annual Report of the Corporation is hereby received.

**Carried**

### **Appointment of SCHI Directors**

The Chair noted that director interviews did take place, however, the Nominating Committee and the Board of Directors felt that the incumbents brought more to the Board than new candidates had to offer. As there were no questions, a resolution of the Shareholder followed approving the appointment of the Board of Directors of St. Catharines Hydro Inc.

#### **Resolution No. S2014-006**

Moved by Councillor Kushner

Seconded by Councillor Phillips

**Resolved** that the following persons are hereby appointed as Directors for the term as set out herein, pursuant to the provisions of the by-laws, Shareholders' Declaration of St. Catharines Hydro Inc., and the provisions of the *Business Corporations Act*.

- |                   |                  |
|-------------------|------------------|
| 1. John Bergsma   | term to May 2017 |
| 2. Timothy Curtis | term to May 2017 |

As of this date, the Board of Directors of St. Catharines Hydro Inc. is as follows:

- |                              |                      |                       |
|------------------------------|----------------------|-----------------------|
| 1. John Bergsma              | (SCHGI Vice Chair)   | until May 2017        |
| 2. Timothy Curtis            |                      | until May 2017        |
| 3. Annette Poulin            |                      | until May 2016        |
| 4. David Heath               |                      | until May 2016        |
| 5. Bob Marshall              | (SCHI & SCHGI Chair) | until May 2015        |
| 6. Robert Cary               | (SCHI Vice Chair)    | until May 2015        |
| 7. Mayor Brian McMullan      |                      | until term of Council |
| 8. Councillor Matthew Harris |                      | until term of Council |

**Carried**

### **Board of Directors Stipend**

The Chair presented the stipend resolution, which uses the practice in place for City Council remuneration as a guideline. The Chair called for comments or questions. There being no questions, the Chair called for a resolution.

#### **Resolution No. S2014-007**

Moved by Councillor Secord

Seconded by Councillor Phillips

**Resolved** that the City as Shareholder approves the Board of Directors remuneration, following the guideline used by the Corporation of the City of St. Catharines for Councillors, which has resulted in an increase of .99% retroactively effective January 1, 2013, and a 2.35% increase effective January 1, 2014.

**Carried**

### **2014 Confidential Business Plan (2014-2018)**

The Chair noted that the Confidential Business Plan was provided in the Shareholder AGM package. The Chair acknowledged that an In Camera meeting was not scheduled to be held, however, if necessary he would request a motion to do so. He then asked for a resolution of the Shareholder to waive the requirement (*re: Shareholder Declaration (revised 2013), Section 7, Annual Presentation of Business Plan and Shareholder Review*).

#### **Resolution No. S2014-008**

Moved by Councillor Elliott

Seconded by Councillor Kushner

**Resolved** that the City as Shareholder waives the requirement of an In Camera meeting for the presentation of the 2014 Confidential Business Plan.

**Carried**

### **Chairman's Comments on 2014 Confidential Business Plan**

The Chair, Bob Marshall, provided an update and comments on the 2014 Confidential Business Plan.

### **General Manager's Presentation – Shickluna Project**

The Vice Chair, Rob Cary, provided an update on the Shickluna Project. Frank Perri noted some highlights.

### **2014 Business Plan Approval**

The Chair requested a resolution to approve the confidential Business Plan which also contains the Five Year Plan 2014-2018, previously distributed to Council, and which contains sensitive information related to the Shickluna tender process.

#### **Resolution No. S2014-009**

Moved by Councillor Harris

Seconded by Councillor Elliott

**Resolved** that the 2014 Confidential Business Plan is hereby approved.

**Carried**

### **Acknowledgements from the Chair**

The Chair commented that the Board is pleased and looking forward to the progression of the Shickluna Project. Special mention was made to thank Robert Cary and John Bergsma for their service as St. Catharines Hydro representatives on the Horizon Board of Directors.

### **Confirmation of All Acts**

The Chair, having reported to the Shareholder on all the above matters, called for a resolution of the Shareholder approving all acts.

#### **Resolution No. S2014-010**

Moved by Councillor Williamson

Seconded by Councillor Elliott

**Resolved** that all acts, contracts, proceedings, appointments, by-laws, elections and payments enacted, made, done, given and taken by the Directors and the Officers of the Corporation since the date of its incorporation as the same are set out or referred to in the Minutes of the Corporation or in the Financial Statements submitted to this meeting be and the same are hereby approved, sanctioned and confirmed.

**Carried**

**Other Business**

The Chair thanked the Board of Directors and General Manager for their efforts and support, as well as thanked City Council and City Staff for their support.

The Chair called for any other business that may properly come before the meeting or any adjournment thereof.

**Adjournment**

Having determined that there were no further items of business, the Chair adjourned the meeting at 6:30 p.m.

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Clerk

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Mayor