

## A Policy Regarding Board Strategic and Business Planning (Strategic and Business Planning)

<b>Date Approved by Board:</b> 2016.06.23	<b>Resolution No.:</b> 16 071
<b>Lead Role:</b> GM	<b>Replaces:</b> N/A
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### **Policy Statement**

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A Board, and its management, require clearly written, and regularly updated Strategic and Business Plans, in order to carry out its fiduciary responsibilities to its stakeholders. The Strategic and Business Plans must be in alignment with the Board's mandate, its vision and its values, and represent the Board's on-going, and changing, priorities

For the purposes of this Policy, a Strategic Plan is the Commission Board's multi-year plan of action regarding both resolution and development of current and emergent matters that must be engaged in order for the Board to successfully fulfil its mandate and vision, while keeping true to its values. The focus of the Strategic Plan is on answering the question "what should we do?"

For the purposes of this Policy, a Business Plan is the Commission Board's annual corporate organizational plan, dealing with all operational and financial matters that support the Board's strategic plan actions. The focus of the Business Plan is on answering the question "how will we do it?"

### **Guidelines**

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1. Commission Board Strategic Plan:
  - a. Will review key trends and issues that are on-going and emergent in the sectors and industries that the Commission operates in, or wishes to operate in, or wishes to leave, and the review will detail all potential implications;
  - b. Will consider all government regulatory impacts on the Commission's current and future operations;
  - c. Will consider the implications of changes in the Commission's external environment upon the Commission's current and future operations;
  - d. Will identify key Commission external stakeholders, including the municipal members, and incorporate their perspective in the development of the Strategic Plan, having given these stakeholders sufficient time to engage in meaningful face-to-face discussion regarding the Commission's strategic direction;

- e. May employ an external, independent facilitator to coordinate the discussions of the Board, its management and its key external stakeholders, and assist in producing the Plan, and communicating the approved plan to internal and external stakeholders;
- f. Will review, and either confirm or amend, the Commission's mandate, vision and values;
- g. Will confirm agreement on the critical issues facing the Commission, and the barriers to diminishing them;
- h. Will identify the Commission's internal strengths, and the opportunities to improve upon them;
- i. Will identify the Commission's external opportunities and threats, and the implications upon the Commission's future direction;
- j. Will identify a few broad areas that require focus in order to provide a meaningfully positive impact upon the Commission's future;
- k. Will develop measure of success so that organizational performance can be measured during the period of the Strategic Plan;
- l. Will develop a Strategic Plan for a period of action of at least three years, with a review date at a maximum of three years from the Strategic Plan's approval by the Board;
- m. Will be realistic, though challenging, given the resources and capabilities of the organization;
- n. Will have an established process using a monthly Board meeting Follow-up Action List (FUAL) for monitoring the implementation of the Plan and ensuring that it remains relevant in its planning period;
- o. Will describe the implications of the Plan upon the organization's structure, people and processes;
- p. Will confirm the commitment of the Commission's key stakeholders to implementation of the approved Plan;
- q. Will produce a clear, concise document that outlines the strategic decisions that the Commission has made;
- r. The Commission Strategic Plan will normally be reviewed and revised every three years.

2. Commission Board Annual Business Plan:

- a. The Commission Board, assisted by management, will approve an annual Business Plan at the December Board meeting. The Business Plan will include:
  - i. Description of the products and services offered by the Commission and their service alignment with the current approved Commission Strategic Plan, and municipal member agreements;
  - ii. Updated Strategic Follow-up Action List (FUAL) and schedule of strategic goals and objectives (actions) to be achieved within the business plan period, including Board objectives and priorities;
  - iii. Will have an established action list that clearly outlines the connection between the strategic plan and the annual business plan (s), and clearly assigns each action to an accountable individual within the organization to complete the action in a designated timeframe;
  - iv. Target detailed net income statement for the upcoming fiscal year, and target summary net income statements for the next five fiscal years;
  - v. Target detailed capital asset purchase budget for the upcoming fiscal year, and target summary capital asset purchase program for the next five fiscal years;
  - vi. Debt management plan for all operations and capital asset purchases, including debt instruments and reserve funding required, and repayment schedules, with appropriate designated revenue streams, for all capital funding;
  - vii. Target balance sheet and cash flow statement for upcoming fiscal year including detail on liability position and member dividend payouts;
  - viii. Target business metrics related to the Performance Management and Pay-for-Performance Program for the prior year, including target bonus payouts;
  - ix. Detailed 5 year pro-forma income statements for all business initiatives, with customer prospect lists, marketing initiatives, and asset/debt requirements; (see 2.b. below)
  - x. Human resources headcount including organizational chart, and any proposed changes, related back to the net income statement;
  - xi. Communications plan to external and internal stakeholders, including Community Support Program details for the year;
  - xii. Any proposed changes to policies, Board committees or other strategic initiatives. Such changes should be addressed in an amendment to the Strategic Plan;
- b. Where there are emergent (unplanned) opportunities during the fiscal year for business income, management is to prepare detailed business cases per 2.a.ix, and submit to the Board for review and approval, with subsequent changes to the Commission business plan, and strategic plan, as the case may be.
- c. Regular reporting to the Board will advise the Board of the progress of the business plan, and recommended changes as required where progress is deviates from expectations. Relevant Board policies on approval of required changes will govern.

**Roles and Responsibilities, Procedures, Forms and Related Policies**

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1. The implementation of this Policy will be through the General Manager with support from assigned staff including the Chief Financial Officer, the Vice-President of Operations, the Communications Coordinator and the Board Secretary (GM Executive Assistant).
  
2. Related policies:
  - BRD-002 Board Reports
  - BRD-004 Communications to Municipal Members
  - BRD-006 Board Mandate, Vision and Values
  - BRD-007 Board and Organizational Priorities
  - FIN-003 Tangible Capital Assets
  - FIN-005 Debt Management