



**Draft
Terms of Reference
and Guidelines-REVISED
As of September 27, 2017**

**Muskoka Airport
Board of Directors**

Presented to the Planning and Economic
Development Committee - September 21, 2017



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Muskoka Airport Board of Directors

Terms of Reference and Guidelines

Introduction

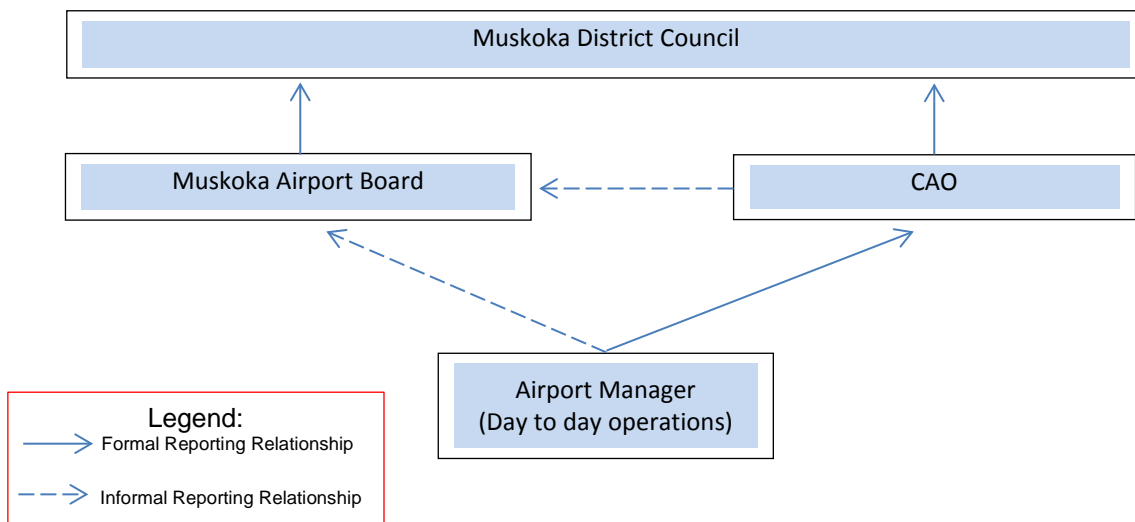
Muskoka District Council of the District Municipality of Muskoka and the Board of Directors of the Muskoka Airport are committed to maintaining a high standard of corporate governance for the Muskoka Airport.

Muskoka District Council maintains ownership and control of Muskoka Airport and has decided to delegate authority for the many airport strategic and operational tasks to an appointed Board of Directors.

The Muskoka Airport Board of Directors has the responsibility for the overall stewardship of the airport and its facilities, establishing the overall policies and service standards, providing high level oversight of its business operations. In particular the Board is responsible and accountable for developing and bringing forward the Airport's strategic and annual business plans and budget for Muskoka District Council approval. In addition, the Board of Directors monitors and assesses overall airport performance and progress in meeting the goals and strategic directions that have been approved by Muskoka District Council. Day to day management is the responsibility of the airport management team, which includes the Chief Administrative Officer of the District Municipality of Muskoka.

To assist in clearly demarcating the governance framework for how the Muskoka Airport will operate, graphic depictions of the framework are included here (see figure 1):

Figure 1



Further, Muskoka District Council has developed and adopted the following Terms of Reference in order to outline the governance framework within which the airport Board and airport management will operate.

A. Board Organization and Membership

A1. Appointment and Revocation of Board Members

- A1.1. All members of the Board shall be appointed by a resolution of Muskoka District Council.
- A1.2. An individual's membership on the Muskoka Airport Board can be revoked by a resolution of Muskoka District Council.

A2. Board Size

- A2.1. There shall be seven (7) directors on the Muskoka Airport Board.
- A2.2. The Muskoka Airport Board is mandated to review the size of the Board from time to time and recommend changes in size to the Board when appropriate. If the Board determines that it is in the best interests of the airport to increase or decrease the number of Directors on the Board it is free to recommend a change in Board size to Muskoka District Council for consideration.
- A2.3. Muskoka District Council alone has the authority to make a change in the size of the Board.

A3. Chair of the Board

- A3.1. The Chair of the first Muskoka Airport Board of Directors will be selected from the appointed Board members by Muskoka District Council.
- A3.2. The duties and responsibilities of the Chair of the Board are outlined in Terms of Reference for the Chair of the Board (see Appendix "I").

A4. Skills-Based Board of Directors

- A4.1. The Muskoka Airport Board shall be a 'skills-based Board'.
- A4.2. Muskoka District Council has determined that potential Board members shall be identified through use of a robust nomination and appointment process which includes: skill and experience identification and assessment, interviews and reference checks.

A4.3. Save and except for the appointment of the initial Board of Directors prior to any recommendations for Board of Director membership being made to Muskoka District Council, the Board of Directors Skills Matrix shall be used to assess the mix of skills and experience on the Board and identify the optimum mix of skills and experience needed on the Board. (see Appendix “II”).

A5. Involvement of Elected Officials

A5.1. Notwithstanding clause A8 of this Terms of Reference, Muskoka District Council has determined that the District Chair shall be appointed to the airport Board during his or her tenure as District Chair.

A6. Review and Recommendation of Potential Board of Director Candidates

A6.1. Muskoka District Council has determined that all potential Board of director nominees, save and except for the District Chair, shall be assessed for their suitability prior to being recommended for a position on the Board.

A6.2. The Board is responsible for recommending suitable potential Board of director candidates to Muskoka District Council for appointment to the Board.

A6.3. The Board shall use the Potential Director Assessment and Screening Template (see Appendix “III”) to assess potential Board of director nominees.

A7. New Director Orientation and On-going Director Education

A7.1. Within 60 days of appointment all directors will be required to complete an orientation and education program that includes review of written information about the duties and obligations of directors, the business and operations of the airport, and a review of pertinent documents from recent Board meetings. The orientation of each new director will include a common component that will be the same for all directors and may also contain a tailored or customized component that is designed to take into account the individual knowledge and experience of each director.

A7.2. The Board shall give consideration to requiring all Board members to commit to at least 5 hours of Board or director education and development activities, on an annual basis, as a condition of their appointment to the Board.

A8. Fixed Terms for Membership on the Board and Reappointments

A8.1. Muskoka District Council has concluded that save and except for the initial Board of directors there shall be a fixed term of four (4) years for all appointments to the Board of the Muskoka Airport.

A8.2. Muskoka District Council also concluded that Board of director appointees shall be eligible for re-appointment, at the discretion of Muskoka District Council, no more than three (3) times.

A9. Board Remuneration

- A9.1. Board remuneration is set by Muskoka District Council (see Appendix “IV”).
- A9.2. Every two years the Board will review the remuneration of directors, taking into account such matters as time commitment, responsibility and remuneration provided by comparable public sector organizations. Once its review of remuneration has been completed the Board may recommend remuneration changes to Muskoka District Council for consideration.
- A9.3. Muskoka District Council retains sole authority for determining and approving the remuneration of the Muskoka Airport Board.

A10. Attendance at Meetings

- A10.1. Board members are expected to attend all meetings in person or by other electronically enabled means.
- A10.2. Attendance may be in person or via other electronically enabled means (teleconference, video conference, skype, etc.).

A11. Attendance Record of Directors

- A11.1. A record shall be kept of the attendance of directors at Board meetings.
- A11.2. The attendance of directors will form part of the regular reports that the Board Chair makes to Muskoka District Council.

A12. Failure to Attend Board Meetings

- A12.1. Muskoka District Council shall give consideration to revoking the appointment of any Board member who attends fewer than 2/3rds of the Board meetings called in any fiscal year.

A13. Executive Committee

- A13.1. Muskoka District Council has concluded that there shall be an Executive Committee of the Muskoka Airport Board.
- A13.2. The Executive Committee shall be made up of a chair and no more than two other Board members.
- A13.3. A Muskoka Airport management representative shall attend all Executive Committee meetings (in person or via other electronically enabled means) and shall be a non-voting ex-officio member of the Committee.
- A13.4. The roles, responsibilities and duties of the Executive Committee are set out in the Executive Committee Terms of Reference (see Appendix “V”) approved by Muskoka District Council.

- A13.5. Muskoka District Council may review and adjust the roles, responsibilities and duties of the Executive Committee on an as needed basis. When reviewing the Executive Committee, Muskoka District Council shall seek, and give consideration to, input from the Board.
- A13.6. Save and except for the initial Executive Committee the Muskoka Airport Board is responsible for selecting the Executive Committee.
 - A13.6.1. The initial Executive Committee shall be appointed by the Muskoka District Council from the members appointed to the Muskoka Airport Board.
 - A13.6.2. Members of the Executive Committee shall be confirmed by a 2/3rds majority vote of the full Board.
 - A13.6.3. An individuals' membership on Executive Committee can be revoked by a 2/3rds majority vote of the Muskoka Airport Board.

A14. Additional Board Committees

- A14.1. The Board has the authority to create sub-committees of the Board and delegate specific duties to those sub-committees in an effort to increase the efficiency and effectiveness of airport governance and operations.
- A14.2. Where sub-committees are created, the Board Chair is an ex-officio member of all committees and may attend any committee meeting at his/her discretion (including Executive Committee).
- A14.3. Where the Board believes that it is advisable to create one or more sub-committees the Board will confirm its intent via a 2/3rds majority vote of the full Board.
- A14.4. Where the Board believes that the dissolution of a sub-committee is advisable the Board will confirm its intent by a 2/3rds majority vote of the full Board.

B. Board Meetings and Materials

B1. Board Meeting Agendas

- B1.1. The Board Chair, in consultation with airport management is responsible for establishing the agenda for each Board meeting.
- B1.2. The Chair and management are responsible for ensuring agendas and appropriate meeting materials are circulated at least one week in advance of a Board meeting.
- B1.3. Any Board member may request the inclusion of items on the agenda in advance of the meeting. Such requests shall be made in compliance with the procedures set out in the Muskoka Airport Board Manual.

B1.4. The Board of Directors may meet on an 'in camera' basis without management present from time to time.

B2. Calling Meetings

B2.1. The chair is responsible for calling meetings of the Board.

B2.2. There shall be at least 4 meetings of the Muskoka Airport Board each fiscal year. The Chair has the authority to call additional Board meetings as needed.

B2.3. Airport management shall attend all Board meetings (in person or via other electronically enabled means) and shall be a non-voting ex-officio member(s) of the Board.

C. Board Responsibilities

C1. Overall Duty of Care

C1.1. Muskoka District Council sees the airport Board (and its individual members) as being under a fiduciary duty to carry out the duties and responsibilities assigned to it with honesty, in good faith and without conflict of interest, in the best interests of the airport, and with the care, diligence, and skill of a reasonably prudent person.

C1.2. As part of these duties the Board is responsible to ensure the timely reporting of any developments that have a significant and/or material effect on the performance of the airport to Muskoka District Council.

C2. Corporate Strategy

C2.1. Muskoka District Council has delegated responsibility for the development and monitoring of the airport's strategic (or master) plan to the Board. The strategic plan is expected to focus on the longer-term (at least 5 – 10 years) and culminate in establishing or confirming the long term strategic direction and/or goals for the Muskoka Airport.

C2.2. The Board will monitor and report regularly to Muskoka District Council on progress towards the goals set out in the plan.

C2.3. The Board is responsible for revising and recommending alterations to the plan in light of changing circumstances.

C2.4. It is the role of Muskoka District Council to review, question, validate and approve the airport strategic (master) plan and any material changes to the plan.

C3. Limits to Board Authority

C3.1. Muskoka District Council shall establish general authority guidelines that place limits on approval authority for both the airport Board and management depending on the nature and size of the proposed transaction. These limits anticipate that some flexibility exists within approved budgets but otherwise must not be exceeded without prior Muskoka District Council approval.

C4. Selecting the Chair

C4.1. The initial Board Chair shall be appointed by the Muskoka District Council from the members appointed to the Muskoka Airport Board.

C4.2. Save and except for the initial Chair of the Muskoka Airport Board, the Board itself is responsible for selecting the Chair of the Board.

C4.3. The Board Chair shall be selected via a majority vote of the full Board through a secret ballot.

C4.4. Airport management will serve as the 'elections officer' for the Board and will be responsible for conducting the election and counting the ballots.

C5. Annual Budget

C5.1. The Board shall prepare and monitor the annual budget of the airport, including giving consideration to the long-term financial model and a long-term capital plan.

C5.2. The Board will ensure that the financial status of the airport is regularly reviewed, in accordance with generally accepted accounting and management principles, and that there is regular, fair and complete reporting on the budget reporting to Muskoka District Council in accordance with applicable audit, accounting and reporting requirements.

C5.3. As part of its budget preparation responsibilities, the Board will make recommendations to Muskoka District Council regarding the necessity and appropriateness of potential approaches for financing significant capital developments or improvements.

C5.4. It is the role of the Muskoka District Council to review, question, validate and approve the annual budget and capital plans of the airport and any material changes to the budget or capital plan.

C6. Principal Risks

C6.1. The Board is responsible for understanding and addressing the principal risks associated with the airport's business on an ongoing basis.

- C6.2. The Board shall ensure that management has implemented appropriate strategies to manage these risks.
- C6.3. It is the responsibility of management to keep the Board well informed regarding changing risks on a timely basis. It is important that the Board understand and support the key risk decisions of management, which includes comprehending the appropriate balance between risks and benefits.
- C6.4. As appropriate the Board shall consider the development and use of an Enterprise Risk Management System (ERM) at the airport.
- C6.5. The Board is also responsible for regularly reviewing airport risks, programs and policies with Muskoka District Council and where appropriate, makes recommendations related to those risks, programs and policies.

C7. Internal Controls and Management Information Systems

- C7.1. Notwithstanding the fact that many of the internal controls and financial information systems of the Muskoka Airport have been adopted from the District Municipality of Muskoka, the monitoring of the controls and systems are a fundamental responsibility of the Board.
- C7.2. The Board is responsible for the oversight of internal control procedures, to determine their effectiveness, and to monitor compliance with the airport and applicable Muskoka District Council policies and codes of ethics.
- C7.3. The Board reports on these matters to Muskoka District Council, as well as to regulators or security holders as appropriate, on a regular basis.
- C7.4. As part of its internal control systems the Board shall establish delegated authorization levels for airport management. The Board shall approve all expenditures that exceed those delegated authorization levels.
- C7.5. The confidence of Muskoka District Council in the ability and integrity of Board and airport management is the paramount control mechanism.

C8. Public Communications

- C8.1. The Board and airport management are responsible for public communications related to the airport.
- C8.2. It is understood that a Board committee, the Board chair or individual directors may from time to time assist with communications with the media, customers, suppliers, employees, governments and the general public.

C9. Assessing the Performance of the Board, Committees and Individual Directors

- C9.1. The Board has overall responsibility for annually assessing and reporting on the performance of the Board, any committees, individual directors and the Board Chair to Muskoka District Council (See Executive Committee Terms of Reference - Appendix "V").
- C9.2. Muskoka District Council has mandated the Executive Committee with responsibility for the development, and annual administration of a process for assessing and reporting on the performance of the Board, Committees, individual Directors and the Board Chair (See Executive Committee Terms of Reference – Appendix "V").
- C9.3. The Chair of the Executive Committee presents the assessment results to the Board for discussion.
- C9.4. The Board Chair is responsible to report the results of the review of the performance of the Board, Committees, individual directors and the Board chair to Muskoka District Council annually.

C10. Airport Operations and Sustainability

- C10.1. The Board shall ensure that the Muskoka Airport operates at all times within all applicable laws and regulations. In addition, the Board shall establish and monitor compliance with, appropriate systems and approaches that ensure that airport staff operates in a manner that upholds exemplary ethical, social, environmental and moral standards.

C11. Health and Safety Management

- C11.1. The Board is responsible for ensuring that airport staff put in place appropriate health and safety management systems that are deemed acceptable under the Canadian Aviation Regulations.

C12. Environment Management

- C12.1. The Executive Committee is delegated the responsibility to develop an Environmental Management Plan for the airport as outlined in Appendix "V" section 9.

C13. Amending Terms of Reference

- C13.1. The Board will review and recommend changes to its Terms of Reference on an as needed basis.
- C13.2. Any recommendations for Terms of Reference amendments will be presented to Muskoka District Council for review and consideration.

Appendix “A”

**Muskoka Airport
Definition of Terms**

Terms	Definition
airport management	<p>Individuals involved in, and responsible and accountable for the day-to-day management of the Muskoka Airport including the Airport Manager and the Chief Administrative Officer of the District of Muskoka, or other District Staff as appropriate.</p> <p>Airport management representatives do not have voting rights on the Muskoka Airport Board.</p>
'significant and/or material' effect; material changes	<p>Having, or likely to have, influence or impact of a noticeable or measurably large amount that should be taken into consideration by a reasonable person in acting or making a decision.</p>
full board	<p>The complete voting membership of the Muskoka Airport Board of Directors.</p>
report regularly regular reporting	<p>Reports (usually to the Board or to Muskoka District Council) that are, or will be, made on a recurring basis at fixed intervals (usually annually or quarterly).</p>
skills based board of directors skills based board	<p>A diverse group of individuals who have been selected based on their broad and varied business skills and experience, and who have been duly appointed to make timely, effective and strategic decisions in the best interests of a specific entity.</p>
governance framework	<p>A set of roles, responsibilities, rules, practices and powers that, when taken together, ensure accountability, fairness, and transparency in an organization's relationship with its owners and stakeholders.</p> <p>These roles, responsibilities, rules, practices and powers are commonly formalized in an organizations mandate, objectives, articles of incorporation, or Terms of Reference.</p>
Muskoka Airport Board Manual	<p>A document prepared for the use of the Muskoka Airport Board of Directors which sets out the rules, processes and procedures that the board will use to ensure the efficient and effective functioning of the board.</p> <p>In addition, a board manual provides general guidance to directors and serves as a vehicle for orienting new directors to their organizational responsibilities.</p>
Airport User Committee	<p>A self- organized and supported committee of current tenants, owners or customers/users who come together to interact with the Airport Manager on a regular basis to address day to day operational matters at the airport but without formal involvement in either the governance or policy making processes associated with the airport.</p>

Appendix "I"

Muskoka Airport

Terms of Reference for the Chair of the Board

Introduction

The Board is responsible for the stewardship of the Muskoka Airport and as a consequence has accountability for its governance, operations and success. Interpersonal relationships are critical to successfully meeting these accountabilities. The relationships between the board and airport management and, the relationships among board members are particularly important. The Chair plays an especially important role by fostering these relationships and providing leadership in guiding the board. In performing this role, the Chair may lean heavily on airport management.

Although the Chair may work closely with airport management he/she is expected to maintain an independent perspective to best represent the interests of the airport, District Council and the people of Muskoka.

D1. Working With Management

The Chair will:

- D1.1. Foster a constructive, harmonious and independent relationship between the Board and Management.
- D1.2. Act as a sounding-board and counselor for airport management, including helping to identify problems, reviewing strategy and tactics, maintaining accountability, building relationships and ensuring that management is aware of the perspectives and concerns of the board and Muskoka District Council.
- D1.3. Ensure that the airport strategy or master plan is developed and adhered to and that annual business plans and performance reports are presented to Muskoka District Council.

D2. Managing The Board

The Chair will:

- D2.1. Ensure that the board has full governance of the airport's business and affairs and that the board is alert to its fiduciary and other obligations.
- D2.2. Provide leadership to the board; assist the board in reviewing and monitoring the strategy, policy and directions of the airport and the achievement of its goals and objectives.

- D2.3. Ensure that there is cohesion of direction and purpose at policy and strategic levels.
- D2.4. Actively encourage all board members to contribute to deliberations. The Chair is expected to be familiar with the skills and experience of each board member and will actively call upon board members to contribute in areas that are aligned with a member's unique skills, experience, and background.
- D2.5. Facilitate deliberations of the board in a manner that encourages the collaboration along with the candid expression of each member's informed opinion. The Chair will also actively discourage all conduct or language that would reasonably be seen as intending to block the full expression of another member's views or input.
- D2.6. At all times work to resolve conflict within the board and build consensus and a sense of team among members of the board.
- D2.7. Meet privately with each director at least annually to discuss the effectiveness of the Chair, that director and the entire board.
- D2.8. Communicate effectively with the board to keep members up to date on all major developments related to the airport. This includes having regular and timely discussions about potential developments, and directing airport management to ensure that the board has ready and timely access to the information and knowledge needed to permit effective decision-making.
- D2.9. While the entire board is responsible for identifying suitable candidates to be recommended to the Muskoka District Council for appointment to the board, the Chair is responsible for ensuring that the Executive Committee has carefully vetted and validated the potential members being recommended to Muskoka District Council for appointment to the board.
- D2.10. Ensure that there is a schedule of board meetings, for up to 3 years, submitted to the board annually for approval.
- D2.11. Review minutes of board meetings for accuracy and edit as appropriate.
- D2.12. Chair board meetings.
- D2.13. Attend any committee meetings on an ex-officio basis, as appropriate, to better understand and observe the thinking and issues being reviewed and discussed at the committee level.
- D2.14. Ensure that board and committee meetings are conducted in an efficient, effective and focused manner.

D3. Reporting To Muskoka District Council

The Chair will:

- D3.1. Ensure that Muskoka District Council is informed of any developments that have a significant and material effect on the airport in a timely and complete manner.
- D3.2. Report to Muskoka District Council, at least annually, on the Board's assessment of the effectiveness of the Board, and their performance as Chair of the Board.

Appendix “II”

Muskoka Airport

Board of Directors Skills Matrix

Muskoka District Council determined that the Muskoka Airport Board shall be a ‘skills based board’ comprised of a diverse set of individuals who reflect the diversity of Ontario and Muskoka, and are able to bring a broad and varied set of business skills and experiences to the board in order to ensure that both the airport and Muskoka District Council have access to individuals with the skills and experience to make timely effective business and strategic decisions in the best interest of the airport and the people of Muskoka.

Prior to seeking to identify new board members the board (or its executive committee) shall utilize the ‘Board of Directors Skills Matrix’ to identify preferred skills and experience required on the board to support and strengthen its oversight and strategic roles.

Muskoka District Council has identified key knowledge and functional skill categories that it believes are needed for the successful governance and operation of the Muskoka Airport. The required knowledge and skill categories have been loosely grouped under the headings of: legal, aviation industry, general business, governance, financial, and tourism.

Muskoka District Council and the board recognize that a diverse and skilled board results in more effective governance and better, more informed decision-making. Diversity drives innovative thinking. As a result the objective of the board and Muskoka District Council is to identify the most qualified and highest functioning individuals from diverse backgrounds for the Muskoka Airport Board of Directors.

Appendix "II"

Muskoka Airport Board of Directors Skills Matrix

Purpose:

The District of Muskoka has designed this tool to assist Muskoka District Council and the Muskoka Airport Board in assessing the level of experience each director has in the various key knowledge and skill categories that Muskoka District Council has identified as being critical to the successful governance and operation of the Muskoka Airport.

Regular (annual) use of this tool will enable the Board and Muskoka District Council visualize the overall skill and experience profile of the Board and make informed decisions about what specific skills and experience should become the focus for ongoing Muskoka Airport Board recruitment activities.

Directions:

Against each of the Skills and Experience areas listed below rate each Board of Director using a three point scale of Low/Not Applicable (1) Medium (2): or High (3) to reflect the level of experience possessed in a particular area. In the Demographic Background and Other Attributes Sections, enter the qualifications as it relates to each director using Yes or No. Where additional comments are appropriate note those comments in the comments section.

See scoring definition on page 20.

Appendix "II"

**Muskoka Airport
Board of Directors Skills Matrix**

	Director Name	Director Name	Director Name	Director Name	Director Name	Director Name	Director Name
Term Expiration Date							
Enter Month Year							
Skills & Experience (Required)							
Legal							
Financial							
General Business							
Governance							
Tourism							
Aviation Industry Knowledge							
Skills & Experience (Desired)							
Leadership							
Board of Director Experience							
Government Relations							
Risk Management							
Strategic Planning							
Performance Measures							

See scoring definitions on page 20

Appendix "II"

**Muskoka Airport
Board of Directors Skills Matrix**

	Director Name	Director Name	Director Name	Director Name	Director Name	Director Name	Director Name
<i>Other Attributes</i>							
Connection to Muskoka							
Level of commitment to Airport							
Comments:							

See scoring definitions on page 20

Appendix "II"

**Muskoka Airport
Board of Directors Skills Matrix
Scoring Definitions**

Score	Summary	Description
1	Low	<p>Director has had limited exposure to any of the required skills and experience areas and has limited capacity to contribute to board discussions in those areas.</p> <p>Director has not received any formal training in any of the key selection criteria.</p>
2	Medium	<p>Director has some demonstrated knowledge and understanding in several (but not all) of the required skills and experience areas.</p> <p>Director has been actively involved in and contributed to board level discussions where points of the discussion fit with the individual's experience and skill.</p> <p>Director as a growing knowledge and understanding of all of the key selection criteria areas and has received some formal training or informal guidance with regard to several of the required skills and experience areas.</p>
3	High	<p>Director has superior knowledge and understanding of all of the required skills and experience areas.</p> <p>Director has consistently led board level discussions for several years in more than one organization.</p> <p>Director has received formal training in several of the key selection criteria areas and has been regularly providing formal and informal guidance and training to other board members.</p>

Appendix “III”

Muskoka Airport

Potential Director Assessment and Screening Template

Purpose:

The District of Muskoka has designed this tool to assist the Muskoka Airport Board and Muskoka District Council in assessing the skills, expertise and experience potential new directors.

Directions:

In the Skills/Experience Section, rate each board director using a scale of Very Weak(1); Weak (2); Acceptable (3); Strong (4); Very Strong (5) to reflect the level of knowledge, skill and/or experience possessed in a particular area. In the Demographic Background and Other Attributes Sections, enter the qualifications as it relates to each director using Yes or No. Where additional comments are appropriate note those comments in the comments section.

	Candidate Name			Candidate Name			Candidate Name		
	Weight	Raw Score	Weighted Score	Weight	Raw Score	Weighted Score	Weight	Raw Score	Weighted Score
Selection Criteria									
Skills & Experience (Required)									
Legal									
Aviation Industry									
Commercial/Real Estate									
Corporate									

See scoring definitions on pages 26-27

Appendix “III”

Muskoka Airport

Potential Director Assessment and Screening Template

	Candidate Name			Candidate Name			Candidate Name		
	Weight	Raw Score	Weighted Score	Weight	Raw Score	Weighted Score	Weight	Raw Score	Weighted Score
Selection Criteria									
General Business									
Owner									
Manager									
Business size									
Financial									
Accounting Designation									
Aviation Industry									
Business Plan Development									
Organizational Governance									
Public Sector									
Private Sector									
Organization size									
Tourism									
Operations									
Marketing									
Organization size									

See scoring definitions on pages 26-27

Appendix “III”

Muskoka Airport

Potential Director Assessment and Screening Template

	Candidate Name			Candidate Name			Candidate Name		
	Weight	Raw Score	Weighted Score	Weight	Raw Score	Weighted Score	Weight	Raw Score	Weighted Score
Selection Criteria									
Aviation Industry									
Airport Management									
Commercial Airline									
General Aviation									
Skills & Experience (Desired)									
Leadership									
C-Suite Experience (public or private not-for-profit sector)									
Formal Training									
Government Relations									
Private Sector									
Not-for-profit Sector									
Organization size									

See scoring definitions on pages 26-27

Appendix "III"

Muskoka Airport

Potential Director Assessment and Screening Template

Selection Criteria	Candidate Name			Candidate Name			Candidate Name		
	Weight	Raw Score	Weighted Score	Weight	Raw Score	Weighted Score	Weight	Raw Score	Weighted Score
Board of Director Experience									
Director Designation									
Private Sector									
Public Sector									
Not for Profit Sector									
Organization size									
Risk Management									
Private Sector									
Public Sector									
Not-for-profit Sector									
Organization size									
Strategic Planning									
Private Sector									
Not for Profit Sector									
Public Sector									
Organization size									

See scoring definitions on pages 26-27

Appendix "III"

Muskoka Airport

Potential Director Assessment and Screening Template

	Candidate Name			Candidate Name			Candidate Name		
	Weight	Raw Score	Weighted Score	Weight	Raw Score	Weighted Score	Weight	Raw Score	Weighted Score
Selection Criteria									
Other Attributes									
Level of commitment to Muskoka airport									
Connection to Muskoka									
Collaboration / Team Player									
Communications / Public Relations									
Comments:									

See scoring definitions on pages 26-27

Appendix “III”

Muskoka Airport

Potential Director Assessment and Screening Template

Scoring Definitions

Score	Summary	Description
1	Very Weak	<p>Candidate has had limited exposure to any of the key selection criteria areas.</p> <p>Candidate has limited capacity to contribute to the discussions in any of the selection criteria areas.</p> <p>Candidate has had little or no direct involvement with any of the key selection criteria areas.</p> <p>Candidate has not received any formal training in any of the key selection criteria areas.</p>
2	Weak	<p>Candidate has limited understanding of some or all of the key selection criteria areas.</p> <p>Candidate has may have been involved in board level discussions about one of the key selection criteria areas.</p> <p>Candidate may have received some informal guidance or training with regards to at least one of the key selection criteria areas.</p>
3	Acceptable	<p>Candidate has some demonstrated knowledge and understanding of all of the key selection criteria areas.</p> <p>Candidate has been actively involved in and contributed to board level discussions on several (but not all) of the of the key selection criteria areas where points of the discussion fit with individual experience and skill.</p> <p>Candidate has a growing knowledge and understanding of all of the key selection criteria areas.</p> <p>Candidate has received some formal training or informal guidance with regard to several of the key selection criteria areas.</p>

Appendix "III"

Muskoka Airport

Potential Director Assessment and Screening Template

Scoring Definitions

Score	Summary	Description
4	Strong	<p>Candidate has advanced knowledge and understanding of all of the key selection criteria areas.</p> <p>Candidate has been actively involved in board level discussions for more than 5 years in one or more of the key selection criteria areas with one organisation.</p> <p>Candidate has been actively advancing their knowledge and understanding of all of the key selection criteria areas. Candidate has received formal training in one or more of the key selection criteria areas and is capable of providing informal guidance and training other board member.</p>
5	Very Strong	<p>Candidate has superior knowledge and understanding of all of the key selection criteria areas.</p> <p>Candidate has consistently led board level discussion for more than 7 years in two or more of the key selection criteria areas at 2 or more organizations.</p> <p>Candidate has received formal training in several of the key selection criteria areas and has been regularly providing formal and informal guidance and training to other board members.</p>

Appendix “IV”

Muskoka Airport Board

Remuneration Principles and Guidelines

E1. Board Of Directors Remuneration Principles

The following principles form the basis upon which Muskoka District Council shall set the level of remuneration for Directors serving on the Muskoka Airport Board.

- a. All Directors will be remunerated for their service on the board via remuneration for each meeting attended, save and except for the District Chair who shall not be remunerated for participation of the Muskoka Airport Board.
- b. Muskoka District Council, as the appointing authority, has the sole responsibility for determining the level of remuneration paid to Directors serving on the Muskoka Airport Board. In making a decision regarding Director Remuneration Muskoka District Council will seek, and take into consideration, information provided by the board.
- c. It is acknowledged that serving on the board involves an element of public service and that remuneration rates may not fully reflect market rates. The remuneration paid to Directors shall neither unduly reward, nor unduly penalize, an individual for choosing to serve on the Muskoka Airport Board.
- d. Every two years, the board will review the remuneration paid to Directors and after examining remuneration paid to Directors serving on boards of a similar size, complexity and nature, will propose amendments to board remuneration to Muskoka District Council.

E2. Remuneration Grid

Activity	Compensation
Board Meetings (All Directors other than Chair) (Includes approved Travel Days and Speaking Engagements)	\$200.00/meeting
Board Chair	\$300.00/meeting
Committee Chair	\$50.00/meeting
Committee Meetings (All Committee members other than Chair)	\$200.00/meeting
Other Meetings	\$100.00/meeting

E3. Remunerations Guidelines

E3.1. Application

Other than meetings of the Board and/or Board Committees, there will be no remuneration for any other activity unless the Board or the Chair, specifically requests a Director to perform a particular duty on behalf of the Muskoka Airport Board.

E3.2. Board and Committee Meetings

“Board and Committee Meetings” are defined as any Board meeting or Board Committee meeting published in the Board Calendar, as approved by the board, or any Board meeting or Board Committee meeting added to the calendar during the course of the year which lasts longer than 2 hours.

E3.3. Method of Attendance

No distinction will be made between participation in person and participation by video, telephone or such other electronically enabled mode that permits a Director to participate and interact with all other participants.

E3.4. Other Meetings

E3.4.1. “Other Meetings” are meetings added to the Board Calendar during the course of the year which last two hours or less or any other meetings designated as such by the Chair.

E3.4.2. The Chair will determine, at the Chair’s discretion, whether a Board and Committee Meetings rate of remuneration or an Other Meetings rate of remuneration will apply when a Director, at the request of the Board or the Chair undertakes a trip to the airport or elsewhere for the purpose of meeting with individuals or groups beneficial to the development of airport business.

E3.5. Travel

E3.5.1. A “travel day” is defined as four hours or more spent in any one day by a Director travelling to attend to the business affairs of the Muskoka Airport but does not include travel to attend Board and Committee Meetings or to participate in Board or Director education and development activities.

- E3.5.2. Reimbursement of expenses arising from travel must be pre-approved, in the case of Directors by the Chair, and, in the case of the Chair, by the Chair of the Executive Committee.
- E3.5.3. Where deemed necessary, a travel advance for a requested trip can be issued but this should be avoided in so far as possible and is to be accounted for promptly after completion or cancellation of the trip.
- E3.5.4. Travel expenses arising from attendance at Board and Committee Meetings will be reimbursed in substantial accordance with the applicable Muskoka District Council policies, procedures and forms.
- E3.5.5. At the Chair's discretion, travel expenses arising from attendance at special, extraordinary or emergency meetings of the Board or any of its Committees may be reimbursed. These expenses will be reimbursed in substantial accordance with the applicable Muskoka District Council policies, procedures and forms.

E3.6. Speaking Engagements, Education and Development Activities and Social Events

- E3.6.1. Requests for the Chair or Directors to speak at public events are handled through airport management. Directors are required to submit any speaking request they might receive to airport management. Airport management will confer and seek the approval of the Board Chair. Where a Director is asked to give a speech, airport management will see that appropriate notes are prepared. Directors are entitled to remuneration and the Chair will determine, at the Chair's discretion, whether a Board and Committee Meetings rate of remuneration or an Other Meetings rate of remuneration will apply. Any travel expenses arising from attendance at an approved speaking event may be reimbursed. These expenses will be reimbursed in substantial accordance with the applicable Muskoka District Council policies, procedures and forms.
- E3.6.2. Directors will not be paid for time spent attending board or director education and development activities, but Directors will be reimbursed for expenses incurred such as conference fees, meals, accommodation and travel provided that Directors' participation has been pre-approved, in the case of Directors by the Chair, and, in the case of the Chair, by the Muskoka Airport Board. Travel expenses, where incurred, will be

reimbursed in substantial accordance with the applicable Muskoka District Council policies, procedures, and forms.

- E3.6.3. Directors will not be paid for time spent attending public meetings and/or social events, including meals and receptions, but the Chair may authorize the payment of the admission fees to certain of these events.

E3.7. Out of Pocket Expenses

- E3.7.1. In addition to the foregoing remuneration, a Director will be reimbursed for all reasonable out of pocket expenses necessarily incurred in the fulfillment of the Director's duties as a Director.
- E3.7.2. No credit card shall be issued by the Muskoka Airport or the District of Muskoka to Board Members.

E3.8. Remuneration Administration

- E3.8.1. All claims for remuneration and expenses submitted by Board members, other than the Chair, will be reviewed and signed by the Chair and airport management. Any claim for remuneration and expenses submitted by the Chair will be reviewed and signed by the Chair of the Executive Committee and airport management.
- E3.8.2. Any disputes or questions directors have about remuneration and expenses will be referred to the Executive Committee for resolution. The Executive Committee will conduct an annual review of directors' remuneration and expenses and report the findings of its review to Muskoka District Council on an annual basis.
- E3.8.3. Applicable District of Muskoka Expense forms are required to document a day of travel, speaking engagement, education or development activity, reasonable out of pocket expenses or any Other Meeting.
- E3.8.4. Remuneration and expenses for Directors, Committee Chairs, and Board Chair shall be paid quarterly.

Appendix “V”

Muskoka Airport

Terms of Reference for the Executive Committee

Introduction

The Executive Committee of the Muskoka Airport Board is responsible for assisting with the work of the Board of Directors in overseeing and providing stewardship for the Muskoka Airport. The Executive Committee has been delegated the specific authorities set out in these Terms of Reference by the Muskoka District Council. Those authorities may be amended by Muskoka District Council from time to time.

The Chair of the Executive Committee provides leadership in guiding the Committee. In performing this role, the Chair may lean heavily on airport management.

Although the Chair may work closely with airport management he/she is expected to maintain an independent perspective to best represent the interests of the airport, Muskoka District Council and the people of Muskoka.

F1. Purpose

The Executive Committee (the "Committee") has the following purposes:

- F1.1. To focus on organizational governance to enhance the performance, accountability and effectiveness of the Muskoka Airport;
- F1.2. Establish and manage the process for identifying, recruiting, appointing and re-appointing candidates to the Board of Directors of the Muskoka Airport on an ongoing basis;
- F1.3. Develop and manage a process for assessing and reporting to Muskoka District Council on the performance of the board, individual directors and the Board Chair on a regular (e.g. annual) basis;
- F1.4. To assist the Board in fulfilling its responsibility for ensuring that the operations and development of the airport remain appropriate and sustainable by reviewing the environmental and health and safety plans and systems and programs of the airport;
- F1.5. To assist the Board by being responsible for the communication activities and government relations activities of the board; and
- F1.6. Discharging any other responsibilities delegated to it by Muskoka District Council, as amended from time to time by Council.

F2. Composition

- F2.1. The Committee will be composed of no more than a Chair and two Directors.
- F2.2. Save and except for the initial Executive Committee, which shall be appointed by District Council from the appointed members of the Muskoka Airport Board, the Board shall be responsible for selecting the members of the Executive Committee from the membership of the Board.
- F2.3. Members of the Executive Committee shall be confirmed by a 2/3rds majority vote of the full Board.
- F2.4. An individual's membership on Executive Committee can be revoked by a 2/3rds majority vote of the full Board.
- F2.5. The Chair of the Muskoka Airport Board shall not be eligible for appointment to the position of Chair of the Executive Committee.

F3. Calling Meetings

- F3.1. The Committee Chair is responsible for calling meetings of the committee. There shall be at least 4 meetings of the Executive Committee each fiscal year. The committee Chair has the authority to call additional board meetings as needed.
- F3.2. Airport management shall attend all executive Committee meetings (in person or via other electronically enabled means) and shall be a non-voting ex-officio member of the committee.

F4. Working With Management

The Chair will:

- F4.1. Foster a constructive, harmonious and independent relationship between the Committee and airport management.
- F4.2. Act as a sounding-board and counselor for the Board Chair and airport management, including helping to identify problems, reviewing strategy and tactics.
- F4.3. In particular the Committee Chair will assist in ensuring that the Muskoka Airport Board has sound organizational governance in place.
- F4.4. Chair Executive Committee meetings.

- F4.5. Establish Committee meeting agendas.
- F4.6. Ensure that meeting materials and information are available to committee members in a timely and easy to access manner.

F5. Board Governance

The Committee will:

- F5.1. Establish and manage the process for identifying, recruiting, and recommending the appointment or re-appointment of candidates to the Board that takes into consideration the skills, experience and background, retirement date of each Director and the strategic direction and needs of the airport.
- F5.2. In consultation with airport management recommend to the Board potential candidates for appointment to the Board.
 - F5.2.1. The Board, upon review and consideration of the list potential candidates provided by the Executive Committee, will recommend, through the Board Chair, a list of potential candidates to Muskoka District Council for appointment to the Board of Directors of the Muskoka Airport.
- F5.3. Develop an orientation program for new Directors and identify and recommend to the Board a process for providing for the ongoing development of Directors.
- F5.4. Monitor and, as needed, recommend amendments to the accountability mechanisms set out in the Muskoka Airport Board Manual to the Board.
- F5.5. Advise the Board on any airport governance or accountability issues which the Committee determines ought to be considered by the Board.
- F5.6. On a regular basis review and make recommendations to the Board for changes in the overall system of governance for the airport including, but not limited to, the following:
 - F5.6.1. The number of Directors on the Board;
 - F5.6.2. The frequency and content of Board meetings and Committee meetings;

- F5.6.3. Annual schedules of issues to be presented at Board meetings and at Committee meetings;
- F5.6.4. Material which is to be provided to the Directors generally and with respect to Board meetings and Committee meetings;
- F5.6.5. Prepare recommendations for the Board regarding any reports on corporate governance that are required or considered advisable; and
- F5.6.6. Develop an Enterprise Risk Management Program for the airport and regularly review (e.g. once every two years) and recommend any changes that are required or considered advisable.
- F5.6.7. Take the lead in the development, and annual administration, of the process for assessing the effectiveness of the Board, any Committees, each Director and the Board Chair.
 - F5.6.7.1. The Executive Committee will conduct a process whereby information and informed opinion is solicited from each Director.
 - F5.6.7.2. The information and opinion sought will, in part, focus on the effectiveness of the board and solicit director input about areas of potential improvement. The process may include questions about personal and individual peer performance. The committee will also review the record of attendance for directors at board meetings and shall include that information as part of their assessment.
 - F5.6.7.3. The Committee shall compile the results or their assessments and propose any improvements or changes it determines are advisable or warranted.
 - F5.6.7.4. The Chair of the Executive Committee shall present the results of the committee's assessment any to the full board for discussion and consideration.

- F5.6.7.5. The Board Chair is responsible to reporting the results of the review of the performance of the board, individual directors and the Board Chair annually to Muskoka District Council.

F6. Stakeholder Relations

The Committee will:

- F6.1. Develop, seek Board approval of, and regularly review and recommend amendments to the airport's Communication protocol.

F7. Accountability

- F7.1. The Committee will report its discussions to the Board by distributing the minutes of its meetings and, where appropriate, by oral report at the next meeting of the Board of every major matter considered since the Board's last meeting.
- F7.2. The Committee will review and recommend changes to its terms of reference on an as needed basis.
- F7.3. The Executive Committee will make any recommendation for Term of Reference amendments to the Muskoka District Council through the Board of Directors.

F8. Managing The Committee

The Committee Chair will:

- F8.1. Provide leadership to the committee and assist it in reviewing and monitoring the strategy, policy and directions of the airport and the achievement of its goals and objectives.
- F8.2. Assist the board Chair in ensuring that there is cohesion of direction and purpose at policy and strategic levels.
- F8.3. Facilitate deliberations of the committee in a manner that encourages the collaboration along with the candid expression of each member's informed opinion. The Chair will also actively and discourage all conduct or language that would reasonably be seen as intending to block the full expression of another committee member's views or input.

- F8.4. Meet privately with each Executive Committee Member at least annually to discuss the effectiveness of the Committee Chair, that director and the Executive Committee.
- F8.5. Communicate effectively with the committee to keep members up to date on all major developments related to the airport.
- F8.6. The Executive Committee Chair is responsible for ensuring that the Executive Committee has carefully vetted and validated all potential members being recommended to Muskoka District Council for appointment to the board.
- F8.7. The entire board is ultimately responsible for identifying suitable candidates to be recommended to Muskoka District Council for appointment to the board.

F9. Environment

The Committee will:

- F9.1. Develop and bring forward for Board approval an Environmental Management Plan for the Muskoka airport.
- F9.2. Monitor the implementation of the Environmental Management Plan and recommend to the Board any necessary amendments to the plan.
- F9.3. Review the results of the regular environmental audits of operations of the airport and of tenants and monitor implementation of recommendations from previous audits.
- F9.4. Review reports of substantial non-compliance with environmental regulations and ensure that appropriate plans are put in place to remedy the default and secure future compliance.