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## **REPORT TO FINANCE COMMITTEE MEETING OF WEDNESDAY, FEBRUARY 7, 2018**

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**SUBJECT**      **Resumption of a Subcommittee of Finance to Provide Oversight for the Service Budgets of the Royal & McPherson Theatres Society**

### **ISSUE**

A subcommittee of the Finance Committee that previously reviewed service budgets related to the Royal and McPherson theatres has not been convened since 2010. The Royal & McPherson Theatres Society (RMTS) requires a Capital Regional District (CRD) mechanism through which it can provide information and receive direction on the issues affecting the operational and capital support as supported through the CRD.

### **BACKGROUND**

The RMTS is the not-for-profit society that manages the Royal Theatre and the McPherson Playhouse on behalf of their municipal owners. Bylaw 2587 established the Royal Theatre Service with three participants: Victoria, Saanich, and Oak Bay; the Royal Theatre is owned by the CRD. Bylaw 2685 established the McPherson Playhouse Service with Victoria as the owner and sole participant. The respective bylaws specify the maximum grant through requisition to be provided by the participants towards the capital and operating expenses of the buildings.

Bylaw 2587, Section 8.(2), provides “for the establishment of a committee for the purpose of managing the administration and operation of the Royal Theatre and may, in relation to the committee, exercise the powers of the Regional Board under section 795 (2) of the Municipal Act.”

Bylaw 2685, Section 7, states that “the Regional District will establish a committee for the purpose of managing the administration and operation of the McPherson Playhouse under Sections 798 (9) and 616 of the Municipal Act.”

Until 2010, a subcommittee known as the Royal & McPherson Theatres Subcommittee of the Finance, Corporate & Protective Services Committee met as part of the annual CRD budget process to discuss and approve the RMTS service budgets. This subcommittee has not been convened since 2010. The newly-established body would be known as the Royal & McPherson Theatres Society Advisory Committee.

Without a committee as noted in the preceding paragraph the RMTS has not had a CRD mechanism through which they may receive direction from the service participants on goals and objectives for the buildings or through which to report back on issues impacting operations and service to the community.

### **ALTERNATIVES**

#### **Alternative 1**

That the Finance Committee establish the Royal & McPherson Theatre Society Advisory Committee to provide oversight and recommendations to the Finance Committee on the services established by bylaws 2587 and 2685, as outlined in the attached terms of reference.

Alternative 2

That the report be referred back to staff for further review.

**IMPLICATIONS**

Apart from internal administration and per meeting payments in accordance with the Board of Directors Remuneration and Travel Expense Policy, there are no direct financial or other implications that would result from re-establishing a subcommittee for this purpose. It is possible that renewed communication may lead to changes in management or operational practices with potential impacts on users of the theatres.

**CONCLUSION**

The RMTS currently has no formal mechanism through which to receive direction or address issues as they relate to CRD support. Establishing the Royal & McPherson Theatres Society Advisory Committee for the purposes as described in this report would provide this mechanism.

**RECOMMENDATION**

That the Finance Committee establish the Royal & McPherson Theatre Society Advisory Committee to provide oversight and recommendations to the Finance Committee on the services established by bylaws 2587 and 2685, as outlined in the attached terms of reference.

Submitted by:	James Lam, Manager, Arts Development Service
Concurrence:	Nelson Chan, MBA, CPA, CMA, Chief Financial Officer
Concurrence:	Robert Lapham, MCIP, RPP, Chief Administrative Officer

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Attachments:

Appendix A: Bylaw No. 3828, Section 27 – Advisory Committees

Appendix B: Terms of Reference for Royal & McPherson Theatre Society Advisory Committee