

1992 BILL Pr 7

Fourth Session, 22nd Legislature, 41 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL Pr 7

MEDICINE HAT COMMUNITY FOUNDATION ACT

MR. MUSGROVE

First Reading

Second Reading

Committee of the Whole

Third Reading

Royal Assent

Bill Pr 7
Mr. Musgrove

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MEDICINE HAT COMMUNITY FOUNDATION ACT

(Assented to , 1992)

WHEREAS certain citizens of the City of Medicine Hat and surrounding Community by their petition prayed for the passing of an Act incorporating the Medicine Hat Community Foundation, and that the said Foundation be empowered to receive and administer donations in trust for charitable purposes as hereinafter described;

AND WHEREAS it is expedient to grant the prayer of the said petition;

THEREFORE HER MAJESTY, by and with the advice and consent of the Legislative Assembly of Alberta, enacts as follows:

Definitions

1 In this Act,

- (a) "Board" means Board of Directors of the Foundation;
- (b) "Custodian" means one or more trust companies, banks or other financial institutions authorized to carry on business in the Province of Alberta;
- (c) "Court" means the Court of Queen's Bench of Alberta or any other court of competent jurisdiction;
- (d) "Director" means a member of the Board;

(e) "Foundation" means the Medicine Hat Community Foundation incorporated by this Act;

(f) "Medicine Hat Community" means the City of Medicine Hat and such parts of the surrounding area in the Province as in the opinion of the Board is readily accessible to the City of Medicine Hat;

(g) "The Committee" means the Committee of Nominators" established from time to time pursuant to the provisions of this Act.

Constitution

3 His Worship Theodore Grimm, Mayor of the City of Medicine Hat; His Honour J. Philip Wambolt, Judge; Richard Derbyshire, Executive; David Condon, Letter Carrier; John Ignatius, Rancher; Henry Iwanicki, Retired Banker; Raymond A. Palardy, Chief Magistrate; Reg Killam, Retired Banker; Thomas J. Morrison, Chartered Accountant; Gordon H. Sissons, Executive; William R. Bauman, Executive; Edward Matsalla, Retired Businessman; Dr. Robert I. McQuarrie, Retired; Orville Kope, Retired Executive; Donald Saunderson, Retired Businessman; and Gerald Maser, Rancher; all of the city of Medicine Hat and surrounding Community, in the Province of Alberta, and such other persons as are from time to time appointed members of the Board are hereby constituted and established a body corporate and politic, under the name of "Medicine Hat Community Foundation", and by that name shall have perpetual succession and a common seal.

Objects

4 The objects of the Foundation are to promote such charitable educational, recreational, cultural and benevolent purposes as will, in the sole discretion of the Board, most effectively assist, encourage and promote the well being of Mankind, primarily the inhabitants of the City of Medicine Hat and the Medicine Hat Community regardless of race, national origin, colour or religion;

Application of funds

5 To effect the objects of the Foundation the funds available to it may be used for the assistance of such institutions, organizations, agencies and bodies as may be engaged in the promotion or advancement of the objects of the Foundation, or any of them, and the Board may determine what institutions, organizations, agencies or bodies, whether or not they are located within the Medicine Hat Community, are to benefit by that assistance in each year, and to what extent.

**Powers of the
Foundation**

6 In addition to the powers vested in the corporation pursuant to the *Interpretation Act* the Foundation has the power:

- (a) to accept gifts, grants, legacies, devises or bequests of real or personal property of every nature and wherever situated;**
- (b) subject to the provisions of this Act, to use and distribute such portions of the funds available to the Foundation as the Board deems proper, to advance the objects of the Foundation;**
- (c) to pledge, mortgage or otherwise encumber any of the property of the Foundation or any interest in it including property held in trust, subject to the further provisions of this Act;**
- (d) to borrow, raise or secure the payment of money for any of the objects of the Foundation by any means whether or not charged upon the property of the Foundation and to redeem or pay off any such obligations;**
- (e) to invest any money of or in the possession of the Foundation in any property in which a trustee may invest trust money or in which a life insurance company may invest funds under the *Canadian and British Insurance Companies Act*, 1932, subject to any instruction of the person who donated the money or to any order of a Court;**

**Committee of
Nominators**

7(1) The Board shall be nominated and appointed by the Committee.

(2) The Committee shall comprise:

- (a) the Mayor of the City of Medicine Hat, who shall be Chairman;**
- (b) the Senior Judge of the Provincial Court;**
- (c) the President of the Medicine Hat Chamber of Commerce; and**
- (d) the President of the City of Medicine Hat and District Trades and Labour Council.**

(3) In the event that any of the persons listed in sub-section

(2) refuses or is unable to carry out the duties as a member of the Committee, or in the event that individual's office ceases to exist or becomes known by another name, or is reconstituted, the Board, by unanimous resolution and with the approval of 2/3 of the Committee, may either temporarily or permanently, substitute for that office such other office as may in the Board's belief, as nearly as possible meet the original intent of this Act.

**Meetings of the
Committee of
Nominators**

8(1) The Chairman of the Committee shall fix a date for the first meeting of the Committee within 6 weeks of the coming into force of this Act and shall thereafter fix a date once in each year for a meeting of the Committee and at that meeting the Committee shall nominate and appoint such members of the Board as are required to fill any vacancies and to succeed members whose terms have expired.

(2) 3 members of the Committee shall form a quorum for the operation of the Committee.

(3) The Committee may act by a majority of its members present at a meeting.

(4) Each member of the Committee shall have one vote on the nomination and appointment of each office to be filled.

Board of Directors

9 The Board shall consist of 15 residents of the Medicine Hat Community nominated and appointed by the Committee from among the individuals who, in the opinion of the Committee, have evinced an interest in the welfare of the community.

Tenure of Board

10(1) The term of office of each member of the Board shall be 3 years, provided that:

(a) after appointing the first Board to be appointed following the coming into effect of this Act, the Committee shall determine by lot the term of office of each member of the Board so that the term of 1/3 of the members shall be 1 year; 1/3 of the members shall be 2 years; and 1/3 of the members shall be 3 years;

(b) when a member of the Board has been nominated and appointed in place of a previous member who did not complete the term, the appointment shall be for the balance of the previous member's term.

(2) The term of office of any member of the Board shall be determined in accordance with the by-laws of the Foundation.

**Meetings of the
Board**

11(1) The Board shall meet at least one in each quarter of the year in the City of Medicine Hat.

(2) 9 members of the Board shall form a quorum.

(3) The Board may act by a majority of its members present at a meeting.

(4) Each member of the Board shall have one vote.

(5) A member of the Board may not receive remuneration for services as a Director except for the reimbursement of reasonable expenses.

**Powers of the
Board**

12 The powers of the Foundation are vested in and shall be exercised by the Board, and without restricting the generality of the foregoing, the Board may:

(a) elect its own Chairman and one or more Vice-Chairman from among its members;

(b) appoint an Executive Director, Treasurer, Secretary or Secretary-Treasurer, and such other officers and employees of the Foundation as it deems expedient, and may prescribe their respective duties, powers and authority;

(c) determine the tenure of each such office or the period of employment of each employee;

(d) fix and determine the remuneration of officers and employees of the Foundation;

(e) establish such committees of Board members as it deems proper to establish.

**Honourary
Directors**

13(1) The Board may appoint Honourary Directors of the foundation in recognition of service to the Foundation or of status in the Medicine Hat Community.

(2) Any such appointment may be for any term of years or for life as the Board may determine and may be terminated by

resolution of the Board at any time.

(3) Honourary Directors shall be invited to attend meetings of the Board and participate in its discussions but shall not be entitled to vote.

Custodian

14(1) The Foundation, as soon as practical after a donation has been received shall, by resolution of the Board, appoint, subject to the provisions of any trust imposed by the donor, one or more Custodians to assume the custody of the property comprising such donation, or such portion or portions of it as may be allotted by the Board to such Custodian to assume custody of the property of the Foundation, and, if desired, to act as investment manager of it.

(2) The Foundation may at any time, by resolution of the Board, revoke the appointment of any Custodian, and may appoint any other Custodian in its place.

(3) All transfers, assignments or conveyances of property by the Foundation shall be executed by an on behalf of the Foundation in such manner as the Foundation may, from time to time, prescribe by resolution, and shall further be executed by the Custodian for the time being of the property to be so transferred, assigned or conveyed.

By-laws

15 The Board may make by-laws, resolutions, and rules not contrary to law, or to a Special Act, or to this Act for:

(a) the resignation or termination of a member's term of office;

(b) all matters pertaining to business meetings and proceedings of the Board;

(c) the appointment of any Custodian in relation to a donation, or such portion or portions of it, as investment manager, subject to the provisions of any trust imposed by that donor;

(d) the revocation of the appointment of any Custodian as an investment manager, and the replacement of that Custodian with an alternate Custodian;

(e) providing authorization to the Custodian to make all

investments, re-investments, conversions, sales or dispositions of the property which it is managing and which it may, at any time and from time to time, consider necessary or desirable and which the Foundation is empowered to make.

Common trust
fund

16(1) Notwithstanding anything in this Act contained herein, the Foundation may establish a Common Trust Fund, in which property received by the Foundation is, subject to the provisions imposed by the donor on any such property, combined for the purpose of facilitating the investment and administration of such property.

(2) The Board may make regulations from time to time concerning:

- (a)** the property that may be included in the Fund;
- (b)** the operation of the Fund;
- (c)** the distribution of the income of the Fund; and
- (d)** the method of valuation of the property in the Fund and of any property being transferred into the Fund.

Donations

17(1) Any donation which, by its terms is given, conveyed, transferred, demised, bequeathed, devised or otherwise disposed of shall be sufficient if made in any form of words to constitute a donation for the purposes of this Act, as long as the donor indicated an intention to contribute presently or prospectively to a Fund or Foundation of the general character indicated in this Act.

(2) This Act is to be construed liberally and in furtherance of the idea that the courts of the Province will assist in making effective gifts for charitable purposes, and will in case of any failure on the part of the Foundation, or those entrusted with the powers of appointing the Board, or otherwise howsoever, do what is necessary to carry out the true intent and purpose of this Act.

Donations outside
district

18 Where property has been donated to the Foundation and the donor is desirous that the donation shall be used in accordance with the objects of the Foundation but in whole or in part for the benefit of persons not resident in the Medicine Hat Community, the Board may accept and exercise the trust in respect of such donation as fully and effectually as if it were made for the benefit

of residents of the Medicine Hat Community.

Waiver **19** If no conditions are imposed by the donor with regard to the use of a donation, the Board may, in its absolute discretion use an apply the donation for such purposes as it may deem proper having regard to the provisions of this Act.

Annual audit **20(1)** The fiscal year of the Foundation shall be the 12 months ending on June 30 in each calendar year.

(2) The Foundation shall cause an audit to be made at least once in every fiscal year of its receipts and disbursements by an independent auditor and shall cause to be published in a newspaper published in a newspaper published in the Medicine Hat Community, a certified statement by the auditor showing the investments made of all funds donated to and vested in the Foundation, the amount of income received during the preceding fiscal year, the purposes for which the income has been used, and a classified statement of the expenses of the Foundation.

(3) It shall be the duty of the custodian to give the auditor full information and permit him to make all necessary inspections to enable the audits to be made.

Administrative costs **21** Subject to any conditions imposed by a donor, reasonable administrative expenses incurred by the Board may be charged against all trusts, on a pro rata or such other basis as the Board considers equitable.