

1995 BILL Pr8

Third Session, 23rd Legislature, 44 Elizabeth II

THE LEGISLATIVE ASSEMBLY OF ALBERTA

BILL Pr8

MILK RIVER AND DISTRICT
FOUNDATION ACT

MR. HIERATH

First Reading

Second Reading.....

Committee of the Whole

Third Reading.....

Royal Assent

Bill Pr8
Mr. Hierath

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MILK RIVER AND DISTRICT FOUNDATION ACT

(Assented to , 1995)

WHEREAS certain citizens of the Town of Milk River and surrounding District by their petition have prayed for the passing of an Act incorporating the Milk River and District Foundation, and that the said Foundation be empowered to receive and administer donations and funds entrusted to it for charitable and other purposes as hereinafter described; and

WHEREAS it is expedient to grant the prayer of the 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 the Board of Directors of the Foundation;
- (b) "Committee" means the Committee of Nominators established pursuant to the provisions of this Act;
- (c) "Court" means the Court of Queen's Bench of Alberta or any other court of competent jurisdiction;
- (d) "Custodian" means one or more trust companies, banks or other financial institutions authorized to carry on business in the Province of Alberta;
- (e) "Director" means a member of the Board;

(f) "Foundation" means the Milk River and District Foundation incorporated by this Act;

(g) "Town of Milk River and surrounding District" means the Town of Milk River and such parts of the surrounding area in the Province as in the opinion of the Board are readily accessible to the Town of Milk River.

Constitution

2 Terry Michaelis, Teacher, Syed Ali, Chartered Accountant, Mabel McFadden, Bank Manager, Alva Bair, Retired Farmer, Wray Swanson, Farmer, Judie Kopp, Councillor, all of the Town of Milk River and surrounding District, 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 "Milk River and District Foundation", and by that name shall have perpetual succession and a common seal.

Objects

3 The objects of the Foundation are to promote such charitable, philanthropic, humanitarian, 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 people and primarily the inhabitants of the Town of Milk River and surrounding District, regardless of race, national origin, colour, gender or religion.

Application of funds

4 To effect the objects of the Foundation, the donations and funds entrusted 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 Town of Milk River and surrounding District, are to benefit by that assistance in each year, and to what extent.

Powers of Foundation

5 In addition to powers vested in the Foundation 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 *Insurance Companies Act* (Canada), subject to any instruction of the person who donated the money or to any order of a Court.

Committee of
Nominators

6(1) The Board shall be nominated and appointed by the Committee.

(2) The Committee shall be comprised of

- (a) the Mayor of the Town of Milk River, who shall be Chairman,
- (b) the President of the Milk River and District Businessmen's Association, and
- (c) the Administrator of the Town of Milk River;

(3) In the event that a person holding an office identified in subsection (2) refuses or is unable to carry out the duties as a member of the Committee or in the event that person's office ceases to exist or becomes known by another name, the Board, by unanimous resolution and on the recommendation 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

7(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) A majority of the members of the Committee constitute 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

8 The Board shall consist of 6 residents of the Town of Milk River and surrounding District 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

9(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 force 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, and

(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.

Meeting of the
Board

10(1) The Board shall meet at least once in each quarter of the year in the Town of Milk River.

(2) Four 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

11 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-chairmen 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 office or the period of employment of each employee,

(d) fix and determine the remuneration of officers and employees of the Foundation, subject to section 10(5), and

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

Honourary
Directors

12(1) The Board may appoint Honourary Directors of the Foundation in recognition of service to the Foundation or of status in the Town of Milk River and surrounding District.

(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

13(1) The Foundation, as soon as practical after a donation has been received, shall by resolution of the Board, appoint, subject to provisions imposed by the donor, one or more Custodians to assume the custody of the property comprising such donation, or any portion or portions of it as may be allotted by the Board to such Custodian.

(2) The Foundation may, by resolution of the Board, authorize a Custodian to act as an investment manager and make all investments, re-investments, conversions, sales or dispositions of the property the Custodian is managing that the Custodian may, at any time, consider necessary or desirable subject to any provisions imposed by the donor.

(3) The Foundation may at any time, by resolution of the Board, revoke the appointment of any Custodian or the appointment of any Custodian as an investment manager, and may appoint any other Custodian in its place.

(4) All transfers, assignments or conveyances of property by the Foundation shall be executed by and 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

14 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, and

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

**Common Trust
Fund**

15(1) Notwithstanding anything in this Act, 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;
- (d) the method of valuation of the property in the Fund and of any property being transferred into the Fund.

Donations

16(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 purpose 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 appointment the Board, or otherwise howsoever do what is necessary to carry out the true intent and purpose of this Act.

**Donations outside
District**

17 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 Town of Milk River and surrounding District, 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 Town of Milk River and surrounding District.

Vaiver

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

Annual Audit

19(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 year of its receipts and disbursements by an independent auditor and shall cause to be published in a newspaper published in the Town of Milk River and surrounding District, a certified statement by the auditor showing the investments made of 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**

20 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.