



STANDING COMMITTEE ON PRIVATE BILLS

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STANDING COMMITTEE ON PRIVATE BILLS

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Saskatoon Fairview

Mr. Terry Dennis
Canora-Pelly

Hon. Jeremy Harrison
Meadow Lake

Mr. Delbert Kirsch
Batoche

Mr. Greg Ottenbreit
Yorkton

Ms. Nadine Wilson
Saskatchewan Rivers

[The committee met at 10:01.]

The Chair: — Well good morning, everyone. This is Private Bills Committee, April 28th, 2021. I'd like to thank the committee members for joining us here this morning: Terry Dennis, Hon. Jeremy Harrison, Delbert Kirsch, Ms. Vicki Mowat, Greg Ottenbreit, and Nadine Wilson. No substitutions.

**Bill No. 901 — *The Saskatoon Foundation
Amendment Act, 2020***

Clause 1

The Chair: — The business before us, the committee, this morning is Bill No. 901, *The Saskatoon Foundation Amendment Act, 2020*. We will be beginning with Bill No. 901, *The Saskatoon Foundation Amendment Act, 2020*, clause 1, short title. I welcome Mr. Cheveldayoff, the sponsor of the bill. With the travel restrictions in place, the committee has asked the petitioners to submit their written documents to be tabled instead of appearing before the committee in person.

First we will table the report from the Law Clerk, and then I will table the documents supplied to the committee from the petitioner when we will proceed to clause-by-clause consideration of the bill. Mr. Ring is available if there are any questions on the Law Clerk's report. Any questions from the members? No.

I will table PBC 2-29, Law Clerk and Parliamentary Counsel: Report on Bill No. 901, dated April 26th, 2021; PBC 3-29, Saskatoon Community Foundation: Written submission, dated April 28th, 2021.

Mr. Cheveldayoff, do you have any comments on the bill?

Mr. Cheveldayoff: — Thank you very much, Mr. Chair. I do have some comments. And the submission that was mentioned earlier, the group has asked me to read that into the record as well.

I'm Ken Cheveldayoff, MLA, [Member of the Legislative Assembly] Saskatoon Willowgrove. And I'm very, very pleased to talk this morning to the committee about what has been a real jewel in the province of Saskatchewan and in the city of Saskatoon, the Saskatoon Community Foundation.

I'm going to tell you a little bit about who they are and what they are, and then some of the changes that they need to the legislation. The Saskatoon foundation committee, the executive committee, is Curtis Kimpton, Danielle Favreau, Raj Kavia, Tiffany Paulsen, Cara Petrovicz. And the board members are John Agioritis, Aftab Ahmad, Darlene Bessey, Amberlea Chabot, Shirley Greyeyes, Carson Heagy, Wanda Hunchak, Bev Lafond, and Jay Stark.

The Saskatoon Community Foundation was established in 1970 by a group of citizens who saw the importance of philanthropy and building community. Today the Saskatoon Community Foundation stewards \$61 million in endowed and non-endowed funds and manages \$20 million in funds for other charities. It is an endowment model that ensures a reliable stream of grant

funding that flows into the community in perpetuity.

The foundation is trusted to represent over 350 fund holders. The Saskatoon Community Foundation directs funding to a wide range of organizations on behalf of its fund holders for initiatives ranging from the arts to anti-poverty. The foundation board and staff team provide expertise in investment, gift planning, and grant making. The foundation is active in community development, providing leadership and support for reconciliation, inclusion, youth and family, and quality-of-life initiatives for everyone in Saskatoon.

Since 1970 the Saskatoon Community Foundation granted over \$46 million, benefiting over 200 local community organizations per year. The foundation took a lead role in the Saskatoon inter-agency response to COVID-19, directing over \$2.3 million for the response. As a member of the Community Foundations of Canada network, Saskatoon Community Foundation administers federal funds for our province through the Emergency Community Support Fund, investment readiness program, and the Canada Healthy Communities Initiative.

The CEO [chief executive officer] is Carm Michalenko and her team is Sameer Chhetry, Jen Pederson, Don Ewles, Joy-Ann Allin, Krys Hertzke, and Sandra Isteevan, and also very much a part of the organization, former board member Ian Sutherland. Mr. Sutherland, as the Chair referenced, was more than willing to come here and present in front of the committee, but of course with COVID restrictions, he had asked me to provide the information and the justification for the changes to the bill. So I'll move to that report.

This is from Ian Sutherland:

I have volunteered with the Saskatoon Community Foundation by serving on the Board and various Board committees, including the Governance Committee, since 2004.

Our Vision is to make Saskatoon a vibrant community where everyone belongs.

Our Mission is to contribute to quality of life by building endowments, strategic grant making, and community leadership.

The Act of Incorporation of the Saskatoon Foundation received royal assent on April 18th, 1970. The Act was amended in 2005, to reflect the change of the organization's name from Saskatoon Foundation to Saskatoon Community Foundation.

The Act includes sections defining the Foundation's Purpose and Objectives (Section 5), its Powers Section (6), the responsibilities, composition, term of office and appointment of board members (Section 7), the requirement that Board members be appointed by a panel of "Appointers" consisting of the Mayor of Saskatoon, the President of the University of Saskatchewan and the Senior Judge of the Court of Queen's Bench using "Appointers" (Section 8), Auditing of Accounts (Section 16) and requirements to publish our investment details (Section 17).

There has been general agreement among the staff and Board members that several sections of our Act required amending and I agreed to lead this process.

Again, this is Mr. Sutherland speaking:

The primary purpose of the review of the Act was to remove the requirement to use external “Appointers” to appoint board members and to bring this process in line with generally accepted governance processes for appointing board members. This is traditionally described as an organization’s bylaws or board policies. [It’s outlined in section 7 and section 8.]

The second reason for amending the Act was to recognize the role the Foundation plays in helping some charitable organizations registered under the Canadian *Income Tax Act* make better use of their funds by providing a Managed Fund service. The Foundation and the charity entered into an agreement that allows the charity to retain ownership of the funds, but the funds are added to the Foundation’s pool of investments allowing the charity to benefit from the returns of a \$60 million investment pool [as outlined in section 5].

The third reason for amending the Act was to eliminate the stilted and outdated language from the Foundation’s Purpose and Objectives. The references such as “needy men women and children”, “sick destitute and helpless”, “underprivileged or delinquent persons,” and “human suffering”. The terms are not in general used today and could be viewed as restrictive.

The fourth reason is the requirement in Section 17 to annually publish in a newspaper published in Saskatoon a condensed report from the audited financial statements. The Foundation agrees that we have an obligation to keep the public informed of our financial position and other activities, but newspaper advertising has become very expensive, and readership is dropping. We feel it is better to use our website and other electronic means to keep the public informed. This approach makes better use of the Foundation’s financial resources and makes the information available 24 hours a day, 365 days a year.

Since we are going to Petition the Legislature to amend our Act, we decided it was a good opportunity to include credit unions and the list of financial institutions that the Foundation could use (section 6) and to recognize the accounting profession’s change in the designation of its members and the change in their governing body’s name. [And that’s in section 16.]

After the proposed amendments to the Act were approved by our Board, they were forwarded to the Canada Revenue Agency for their comments and approval. They did respond with four recommendations. However, the Foundation did not receive their final approval until after our Bill 901 had passed First Reading; it was necessary to prepare amendments.

Through my employment and volunteer activities, I have had a significant exposure to working with Articles of Incorporation and bylaws. However, this was my first

experience amending an Act [of the legislature]. I would be remiss if I did not thank Ken Ring for his advice and guidance through this year long process.

While I am sorry that I did not have the opportunity to meet with the Private Bills Committee in person, I am in complete agreement with their decision not to include members of the public due to the Covid-19 restrictions. I would like to thank the committee for continuing to meet under these difficult circumstances and consideration of our petition to amend the Act.

Sincerely, Ian Sutherland.

So once again I would like to thank Mr. Sutherland for his obvious work in this regard and his contribution to the Saskatoon Community Foundation. And I’d like to thank all of their board members, their CEO and staff. And to all of the donors across Saskatoon and Saskatchewan and probably across Canada, thank you for putting this endowment in place and making Saskatoon and Saskatchewan a better place. Thank you, Mr. Chair.

The Chair: — Thank you, Mr. Cheveldayoff. Would the committee have any questions? Seeing none, if there are no questions, we will begin on clause-by-clause considerations.

Clause 1, short title, is that agreed?

Some Hon. Members: — Agreed.

[Clause 1 agreed to.]

Clause 2

The Chair: — Clause 2, is that agreed? I recognize Mr. Ottenbreit.

Mr. Ottenbreit: — I move to:

Amend Clause 2 of the printed Bill:

(a) add the following clause **after** Clause 2(1) of the printed Bill:

2(2) subsection 5(1) is struck out and the following substituted:

5(1) The purposes of the Foundation are:

(a) to receive money and accept gifts and donations and to invest or manage them to create a fund or funds, (such as endowment and flow-through funds) and use the income derived or amounts collected for grants to qualified donees as defined in subsection 149.1(1) of the Income Tax Act (Canada) for the mental, moral and physical improvements of the inhabitants of the City of Saskatoon and area; and

(b) to improve the efficiency and effectiveness of registered charities by receiving and managing, including investing and administering, funds for these charities.

(b) add the following clause after Clause 2(2) of the printed

Bill:

(3) Subsection 5(1.1), (2), (3) and (4) are repealed.

I so move.

The Chair: — Mr. Ottenbreit moves amendments. Do the members agree with the amendments as read?

Some Hon. Members: — Agreed.

The Chair: — Carried. Is clause 2 as amended agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 2 as amended agreed to.]

[Clauses 3 to 8 inclusive agreed to.]

The Chair: — I recognize Mr. Ottenbreit.

Clause 2

Mr. Ottenbreit: — Thank you, Mr. Chair. I move that the new clause 2 of the printed bill:

Add the following Clause after Clause 1 of the printed Bill:

Section 2 amended

2 Clause 2(c.1) is amended by adding “registered under the *Income Tax Act (Canada)*” **after** “for distribution to other charitable organizations”.

I so move.

The Chair: — Do members agree with the new clause 2 as read?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 2 agreed to.]

The Chair: — I recognize Mr. Ottenbreit.

Clause 3(1)

Mr. Ottenbreit: — Mr. Chair, I further move that new clause 3(1) of the printed bill:

(a) Add the following Clause as Clause 3(1):

3(1) Subsection 6(2) is amended by adding “The Foundation shall carry on all other activities and exercise all other powers that are ancillary and incidental to achieving its purposes (as set out in section 5), including but not limited to the following:”

(b) Add the following clause **after** Clause 3(1) of the printed Bill:

“3(2) Clause 6(2) is amended by striking out “Subject to Section 11, the Foundation” and substituting the following:

“(3) Subject to Section 10, the Foundation will be operated without purpose of gain for its members and any profits, gains or any of its assets will be used solely in promoting its purposes as set out in Section 5. The Foundation shall carry on all other activities and exercise all other powers that are ancillary and incidental to achieving its purposes (as set out in Section 5), including but not limited to the following:”

I so move.

[10:15]

The Chair: — Do members agree with the new clause 3(1) as read?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Clause 3(1) agreed to.]

The Chair: — Preamble, is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried.

[Preamble agreed to.]

The Chair: — Her Majesty, by and with the advice and consent of the Legislative Assembly of Saskatchewan, enacts as follows: *The Saskatoon Foundation Amendment Act, 2020*.

I would ask the members to move the following motion:

That the committee report Bill No. 901, *The Saskatoon Foundation Amendment Act, 2020* with amendment.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. I would ask a member to move the following motion:

That the fees respecting Bill No. 901, *The Saskatoon Foundation Amendment Act, 2020* be waived.

Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. Thank you, Mr. Cheveldayoff. Any final comments?

Mr. Cheveldayoff: — Thank you, Mr. Chair. I recognized several individuals, but I have to point out that Mr. Curtis Kimpton has been instrumental as well in providing information

to the legislature on the changes that are needed. So again thank you to all volunteer members, and especially to Mr. Kimpton and Mr. Sutherland. Thank you.

The Chair: — Thank you, Mr. Cheveldayoff. I would like to recognize Mr. Dennis.

Mr. Dennis: — Thank you, Mr. Chair. I move:

That the second report of the Standing Committee on Private Bills be adopted and presented to the Assembly.

The Chair: — Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Carried. That concludes today's agenda. Would a member move adjournment?

Ms. Wilson: — I'll so move.

The Chair: — Ms. Wilson. Is that agreed?

Some Hon. Members: — Agreed.

The Chair: — Thank you. The committee stands adjourned until the call of the Chair. Thank you.

[The committee adjourned at 10:19.]