

## Options for a Foundation Model

	Description of Option	Pros	Cons
1	<p><b><u>Council Advisory Committee</u></b></p> <ul style="list-style-type: none"> <li>Accountable to Council</li> <li>Must report to Council as directed (City Policy C476)</li> <li>Council appoints the members (City Policy C475)</li> <li>Members are ordinarily citizens, but could include members of the administration if combined input from citizens and administration is desired (City Policy C475)</li> <li>Councillors are not members (City Policy C473)</li> <li>Purpose is ordinarily to give independent advice on a particular subject to Council</li> <li>Does not give direction to the City Manager</li> <li>City Manager does not report to this type of Committee</li> <li>City Manager is legally required to provide resources in MGA s. 208(2) - listed above - but more resources may be required by the bylaw</li> <li>Meetings are public, subject to FOIP - same rules as Council (MGA, s. 197 and 198)</li> </ul>	<p>Advice is provided by independent citizens selected by Council</p> <p>Committee reports to Council</p> <p>Changes to the mandate can be made by amending the bylaw as required</p>	<p>May not always attract the expertise desired by Council</p> <p>Cost associated with maintaining the committee</p> <p>Cannot make decisions</p>
2	<p><b><u>Council Decision Making Committee</u></b></p> <ul style="list-style-type: none"> <li>Accountable to Council</li> <li>Council appoints members (City Policy C475)</li> <li>Members are ordinarily citizens / Councillors do not sit on these Committees (City Policy C473)</li> <li>Purpose is to make decisions on matters that Council could have made itself, but Council wished to expressly delegate its decision making power on particular matters to the committee</li> <li>Cannot make budget decisions, give tax forgiveness, or appoint or revoke the appointment of the City Manager (MGA, 203(2))</li> <li>Cannot make decisions on matters delegated to the City Manager (MGA, 201(2))</li> <li>Council may expressly delegate the power to direct the City Manager or require the City Manager to report to the committee on matters specified in its bylaw - but it has not previously done so</li> <li>If Committee is directing the City Manager or the</li> </ul>	<p>Reports to Council but Council delegates some of its decision making power to an independent committee</p> <p>Committee members' decisions are not influenced by political pressures</p> <p>Mandate can evolve over</p>	<p>Committee could make decisions that do not accord with the ones that Council might have preferred, or in accordance with the City's overall vision</p> <p>May be difficult to recruit members with sufficient</p>

	<p>City Manager is reporting to the committee, administration should not be on the committee</p> <ul style="list-style-type: none"> <li>• City Manager must legally provide resources specified in MGA section 208(2) - but Council may by bylaw direct that the City Manager provide additional resources</li> <li>• Meetings are public, subject to FOIP - same rules as Council (MGA, s. 197 and 198)</li> </ul>	time	<p>expertise for effective decision making body</p> <p>If key members leave, continuity and effectiveness could be detrimentally affected</p> <p>May require considerable City staff and other resources to function if mandate is broad</p>
3	<p><b>City Owned Not-for-Profit Company</b></p> <ul style="list-style-type: none"> <li>• Councillors are ordinarily, but not necessarily appointed as the representatives for the sole shareholder which is ordinarily the City of Edmonton or the municipal corporation of the City of Edmonton</li> <li>• The incorporator establishes the company's mandate in its memorandum at the time of incorporation (Companies Act)</li> <li>• Non-profit companies may not pay dividends of any kind to their members (Companies Act, s. 201)</li> <li>• Companies are not accountable to Council</li> <li>• Companies are governed by their own boards which act in the best interest of the company as set out in their memoranda</li> <li>• The Shareholder appoints board members and the company auditor</li> <li>• Board members could legally be Councillors, administration or citizens - but City Policy C473 states that Councillors will not sit on decision making boards except for those specified (EPC, EPL, EEDC, Edmonton Salutes).</li> </ul>	<p>Provides for independent decision making</p> <p>Members may continue with the board for lengthy period</p> <p>May attract members with requisite expertise</p> <p>Does not report to the City so decision making is purely in the best interest of</p>	<p>Little opportunity for shareholder oversight of activities</p> <p>If shareholder controls decision making or activities shareholder becomes liable for those areas</p> <p>Does not consider Council priorities in</p>

	<ul style="list-style-type: none"> <li>• As Councillors may have a conflict of interest between their obligations to the company as board members and obligations to the City as City councillors, it is not advisable for councillors to sit on company boards</li> <li>• Company Manages its own finances, resources and priorities and reports on company business to shareholders at shareholder meetings</li> <li>• The City can guarantee debts or loan money to a non-profit company if that would benefit the municipality (MGA, s. 264)</li> <li>• Meetings are private but company records for a wholly City owned non-profit company are subject to FOIP (FOIP, s. 1(j)(xvii))</li> </ul>	<p>the project or object for which it was created</p> <p>Manages its own resources, priorities and program delivery – no need for City allocation of resources</p> <p>City can loan to it, or guarantee debts if City deems that necessary</p>	<p>decision making</p>
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