

# Dormancy Process for 2492369 Canada Corporation (aka Waste RE-solutions Edmonton)

## Public Consultation Results

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### Recommendation

That Executive Committee recommend to City Council:

That the representations received from the public on the material change of the for-profit corporation, 2492369 Canada Corporation (aka Waste RE-solutions Edmonton), as set out in Attachment 1, be provided to the corporation's shareholder.

### Executive Summary

In accordance with the *Municipally Controlled Corporations Regulation*, the City has to follow this process in order to put their for-profit corporation into dormancy. The public needs an opportunity to comment on the material change to the corporation. These comments need to go to Council who then has to send a summary of the comments to the Shareholder.

### Report

2492369 Canada Corporation (aka Waste RE-solutions Edmonton) has concluded all business which it was previously involved in. As such it no longer needs to be an active corporation. After this process has been concluded and based on any additional information that is provided from the public, this corporation will become dormant. It is more cost effective to make this corporation dormant than to wind this for-profit corporation up.

This means that there will be a change in the board of directors from external board members to internal city administration, which will require a corporate bylaw amendment. Such a corporate bylaw amendment needs to be approved first by the Board of Directors and then by the Shareholder.

A dormant corporation still requires an electronic annual general meeting with the Shareholder and the board of directors. In addition, the required annual Federal and

extra-provincial (Alberta) corporate filings will continue (for a nominal cost), including the annual corporate tax return but otherwise this corporation will be dormant.

Pursuant to the requirements of the *Municipally Controlled Corporations Regulation*, the City of Edmonton ran two ads in the Edmonton Journal on January 28 and on February 4, 2021, seeking public input into the proposed material change making this for-profit corporation dormant. A telephone number was provided in the ads and any comments from the public were recorded during the 30 day period in the voicemail and have been summarized in Attachment 1.

Residents have also been invited to speak to this matter at the March 22, 2021, Executive Committee meeting.

2492369 Canada Corporation, operating as Waste RE-solutions Edmonton, will no longer be carrying on active business and will remain dormant for the foreseeable future.

### **Budget/ Financial**

All residual funds, estimated at \$378,000 (Canadian dollars) will be returned to the City of Edmonton once final accounts are settled, this includes the 2020 declared dividend of \$190,686 approved by the Board of Directors.

### **Public Engagement**

The following public communications include:

- Newspaper ad placed in the Edmonton Journal on January 28 & February 4, 2021
- Posting of the ad on the City website
- Replying to any questions left on the telephone voice mail
- Invitation for the public to come speak to this matter at the March 22, 2021 Executive Committee Meeting

### **Corporate Outcomes and Performance Management**

|  |                   |                  |                  |
|--|-------------------|------------------|------------------|
| <b>Corporate Outcome(s): The City of Edmonton has a resilient financial position</b> |                   |                  |                  |
| <b>Outcome(s)</b>  | <b>Measure(s)</b> | <b>Result(s)</b> | <b>Target(s)</b> |

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|   |   |   |     |
|---|---|---|-----|
| Making the City's for-profit corporation dormant does not adversely impact the City of Edmonton's financial position. | Except for nominal annual filing fees, this corporation will not cost the City grants or request loans while it is dormant. | As part of the dormancy process the corporation ended its joint venture in China and will return an estimated \$378,000 (Canadian dollars) to the City of Edmonton. | N/A |
|---|---|---|-----|

### Risk Assessment

| Risk Element                      | Risk Description  | Likelihood | Impact       | Risk Score (with current mitigations) | Current Mitigations  | Potential Future Mitigations |
|-----------------------------------|---|------------|--------------|---------------------------------------|--|------------------------------|
| If recommendation is approved     |   |            |              |                                       |  |                              |
| Legal and Regulatory              | Following the required legal process for a for-profit corporation owned by the City results in citizens being unhappy.  | 1 - rare   | 1 - minor    | 1 - low                               | Running ads and posting ads about the process and inviting the public to speak about this material change at an Executive Committee meeting. | N/A                          |
| If recommendation is not approved |   |            |              |                                       |  |                              |
| Legal and Regulatory              | Not following the required legal process for a for-profit corporation owned by the City results in citizens being unhappy and the City being off-side of a Provincial regulation. | 4 - likely | 2 - Moderate | 8 - medium                            | Lobby the province for red tape reduction by repealing this regulation.  | N/A                          |

### Attachment

1. Summary of Comments from the Public

### Others Reviewing this Report

- M. Persson, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- C. Owen, Deputy City Manager, Communications and Engagement

- G. Cebryk, Deputy City Manager, City Operations
- A. Laughlin, Deputy City Manager, Integrated Infrastructure Services
- S. McCabe, Deputy City Manager, Urban Form and Corporate Strategic Development