

Corporate Services Committee Report

9th Meeting of the Corporate Services Committee
April 17, 2018

PRESENT: Councillors J. Helmer (Chair), J. Morgan, M. van Holst, J. Zaifman, Mayor M. Brown
ABSENT: P. Hubert
ALSO PRESENT: A.L. Barbon, D. Bordin, J. Bruin, B. Card, I. Collins, S. Datars Bere, J. Davies, J. Freeman, G. Kotsifas, R. Lamon, L. Livingstone, J. Logan, J. Millson, K. Murray, L. Rowe, K. Scherr, S. Spring, B. Warner and C. Williamson.

The meeting was called to order at 12:32 PM.

1. Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

2. Consent

Moved by: J. Morgan
Seconded by: M. van Holst

Approve Items 2.1 to 2.4.

Yeas: (5): J. Helmer, J. Morgan, M. van Holst, J. Zaifman, and Mayor M. Brown

Absent (1): P. Hubert

Motion Passed (5 to 0)

2.1 Elected Officials and Appointed Citizen Members 2018 Remuneration

Moved by: J. Morgan
Seconded by: M. van Holst

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer and the City Clerk, the 2018 remuneration for elected officials and appointed citizen members of local boards and commissions, where stipends are paid, BE ADJUSTED by 1.7% over 2017 effective January 1, 2018, in keeping with the Council Policy entitled "Remuneration for Elected Officials and Appointed Citizen Members".

Motion Passed

2.2 Amendment to Mayor's New Years Honour List Policy

Moved by: J. Morgan
Seconded by: M. van Holst

That, on the recommendation of the City Clerk, the proposed by-law appended to the staff report dated April 17, 2018 as Appendix "A" BE INTRODUCED at the Municipal Council meeting to be held on April 24, 2018 for the purpose of amending By-law No. CPOL.-18-214 being "A by-law to revoke and repeal Council policy related to Mayor's New Year's Honour List and replace it with a new Council policy entitled Mayor's New Year's Honour List Policy", by replacing the Mayor's New Year's Honour

List Policy with a new Mayor's New Year's Honour List Policy to change the name of the nomination category "Persons with Disabilities" to the name "Accessibility"; and to change the current description of the award from "(i.e. contributions to the promotion and facilitation of a barrier-free community for citizens of all abilities, including those with disabilities)" to "(awarded to those who, through action and/or example, foster an environment of inclusion that embraces citizens of all abilities)".

Motion Passed

2.3 2017 Compliance Report in Accordance with the Procurement of Goods and Services Policy

Moved by: J. Morgan
Seconded by: M. van Holst

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to the 2017 Compliance Report in accordance with the Procurement of Goods and Services Policy:

- a) an annual report of total payments where a supplier has invoiced the City a cumulative total value of \$100,000 or more in a calendar year, as per the Procurement of Goods and Services Policy, Section 8.11 (c), BE RECEIVED for information (included as Appendix "A" to the staff report dated April 17, 2018);
- b) the administrative contract awards for Professional Consulting Services with an aggregate total greater than \$100,000, as per Section 15.1 (g) of the Procurement of Goods and Services Policy, decentralized from Purchasing and Supply that have been reported to the Manager of Purchasing and Supply and have been reviewed for compliance to the Procurement of Goods and Services Policy, BE RECEIVED for information (included as Appendix "B" to the staff report dated April 17, 2018);
- c) the list of administrative contract awards for Tenders with a value up to \$3,000,000 that do not have an irregular result, as per Section 8.11 (c) of the Procurement of Goods and Services Policy, BE RECEIVED for information (included as Appendix "C" to the staff report dated April 17, 2018); and
- d) the City Treasurer or delegate BE DELEGATED authority to, at any time, refer questions concerning compliance with the Procurement of Goods and Services Policy to the City's internal auditor, and the City Treasurer or delegate is hereby further authorized to ratify and confirm completed awards or purchases between \$15,000 and \$50,000 where the City Treasurer or delegate is of the opinion that the awards or purchases were in the best interests of the Corporation.

Motion Passed

2.4 2017 Year-End Capital Monitoring Report

Moved by: J. Morgan
Seconded by: M. van Holst

That on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer:

a) the 2017 Year-End Capital Monitoring Report BE RECEIVED for information; it being noted that the life-to-date capital budget represents \$1.7 billion with \$1.2 billion committed and \$0.5 billion uncommitted; it being further noted that the City Treasurer, or designate, will undertake the housekeeping adjustments identified in the staff report dated April 17, 2018, in accordance with the Multi-Year Budget Policy adopted by By-law No. CPOL.-45-241;

b) the status updates of active 2014 life-to-date capital budgets (2014 and prior) having no future budget requests, attached as Appendix "B" to the staff report dated April 17, 2018, BE RECEIVED for information;

c) the following actions be taken with respect to the completed Capital Projects identified in Appendix "C" to the staff report dated April 17, 2018, which have a total of \$5.0 million of net surplus funding:

i) the Capital Projects included in Appendix "C" to the staff report dated April 17, 2018, BE CLOSED;

ii) the following actions be taken with respect to the funding associated with the Capital Projects approved for closure in c) i), above:

Rate Supported

A) pay-as-you-go funding of \$83,918 BE TRANSFERRED to the capital receipts account;

B) authorized debt financing of \$31,872 BE RELEASED resulting in a reduction of authorized, but unissued debt;

C) uncommitted reserve fund drawdowns of \$3,183,127 BE RELEASED from the reserve funds which originally funded the projects;

Non-Rate Supported

D) uncommitted reserve fund drawdowns of \$1,017,413 BE RELEASED from the reserve funds which originally funded the projects;

E) other net non-rate supported funding sources of \$704,830 BE ADJUSTED in order to facilitate project closings.

Motion Passed

2.5 2017 Operating Budget Year-End Monitoring Report - Property Tax, Water, Wastewater & Treatment Budgets

Moved by: J. Morgan

Seconded by: Mayor M. Brown

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to 2017 year-end monitoring:

a) the 2017 Operating Budget Year-End Monitoring Report for the Property Tax Supported Budget (Appendix A to the staff report dated April 17, 2018), Water and Wastewater & Treatment Budgets BE RECEIVED for information; it being noted that an overview of the net corporate positions are outlined below:

i) the Property Tax Supported Budget surplus is \$6.9 million as identified by Civic Administration, Boards and Commissions. The year-end surplus is \$2.7 million greater than projected in the 2017 Operating Budget Mid-Year Monitoring Report. The \$6.9 million operating surplus was contributed to the Operating Budget Contingency Reserve;

ii) the Water Rate Supported Budget surplus is \$2.2 million. The year-end surplus is \$1.6 million more than projected in the 2017 Operating Budget Mid-Year Monitoring Report. The \$2.2 million surplus was contributed to the Water Capital Reserve Fund;

iii) the Wastewater & Treatment Rate Supported Budget surplus is \$3.3 million. The year-end surplus is \$1.3 million more than projected in the 2017 Operating Budget Mid-Year Monitoring Report. The \$3.3 million surplus was contributed to the Wastewater Rate Stabilization Reserve;

b) notwithstanding the Council-approved Surplus/Deficit Policy, the Civic Administration BE AUTHORIZED to allocate \$5 million of the \$6.9 million surplus from the Property Tax Supported Budget to fund costs related to the subsidized transit programs which include free transit for children 5-12, a reduced rate transit pass for youth 13-17 pilot program, and an income-related subsidized transit pilot program for adults 18 and over, noting that costs in excess of available budgets for the pilot programs in 2018 and 2019 are approved to come from Operating Budget Surplus, and if required, Contingency Reserves;

c) notwithstanding the Council-approved Surplus/Deficit Policy, the Civic Administration BE AUTHORIZED to allocate the London & Middlesex Housing Corporation (LMHC) operational savings, currently estimated to be \$37 thousand (subject to LMHC's financial statement audit), included in the above noted \$6.9 million surplus to the LMHC Employee Entitlement Reserve Fund to support its obligation for future employee entitlement costs;

d) the Civic Administration BE AUTHORIZED to allocate the remaining balance of surplus from the Property Tax Supported Budget in accordance with the Council approved Surplus/Deficit Policy as follows:

i) 50% to reduce authorized but unissued debt;

ii) 25% to the Community Investment Reserve Fund; and

iii) 25% to the Capital Infrastructure Gap Reserve Fund.

e) the Civic Administration BE AUTHORIZED to allocate \$3.2 million of the \$3.3 million Wastewater & Treatment Rate Supported Budget surplus to the Sewage Works Reserve Fund; it being noted that the Wastewater Rate Stabilization Reserve has achieved its targeted balance of 2.5% of the Wastewater & Treatment Revenue Budget, and that in previous years this Reserve Fund has been drawn from to offset operational deficits; and

f) the Civic Administration's contribution of \$3,578,214 (\$2,905,476 – Property Tax Supported; \$242,714 – Water; and \$430,024 – Wastewater) to the Efficiency, Effectiveness and Economy reserves in 2017 BE RECEIVED for information;

it being noted that the reported year-end surplus is subject to the financial statement audit and adjustments related to the accounting for Tangible Capital Assets (PSAB 3150).

Yeas: (5): J. Helmer, J. Morgan, M. van Holst, J. Zaifman, and Mayor M. Brown

Absent (1): P. Hubert

Motion Passed (5 to 0)

3. Scheduled Items

None.

4. Items for Direction

Moved by: J. Zaifman
Seconded by: M. van Holst

That Items 4.2 to 4.6 BE APPROVED.

Yeas: (5): J. Helmer, J. Morgan, M. van Holst, J. Zaifman, and Mayor M. Brown

Absent (1): P. Hubert

Motion Passed (5 to 0)

4.2 Request for Designation of the Jean Carlos Centeno en London as a Municipally Significant Event

Moved by: J. Zaifman
Seconded by: M. van Holst

That the Jean Carlos Centeno en London, to be held on June 16, 2018, at the parking lot located at 195 Dundas Street, from 6:00 PM to 12:00 AM, BE DESIGNATED as an event of municipal significance in the City of London.

Motion Passed

4.3 Request for Designation of THE Fashion Show 2018 as a Municipally Significant Event

Moved by: J. Zaifman
Seconded by: M. van Holst

That THE Fashion Show 2018, to be held on July 21, 2018, at the Wolf Performance Hall, from 5:00 PM to 9:00 PM, BE DESIGNATED as an event of municipal significance in the City of London.

Motion Passed

4.4 Request for Designation of the Appleseed Cider Festival as a Municipally Significant Event

Moved by: J. Zaifman
Seconded by: M. van Holst

That the Appleseed Cider Festival, to be held on June 1 and 2, 2018, at 211 King Street, from 7:00 PM to 2:00 AM both evenings, BE DESIGNATED as an event of municipal significance in the City of London.

Motion Passed

4.5 Request for Designation of the Forest City Beer Fest as a Municipally Significant Event

Moved by: J. Zaifman
Seconded by: M. van Holst

That the Forest City Beer Fest, to be held on August 10, 2018 from 6:00 PM to 12:00 AM and August 11, 2018 from 5:00 PM to 12:00 AM, at the

Budweiser Gardens parking lot located 99 Dundas Street, BE DESIGNATED as an event of municipal significance in the City of London.

Motion Passed

4.6 Request for Designation of the Sunfest Shade Garden as a Municipally Significant Event

Moved by: J. Zaifman
Seconded by: M. van Holst

That the Sunfest Shade Garden, to be held on July 5, 2018 to July 8, 2018, as part of TD Sunfest at Victoria Park, from 11:00 AM to 11:00 PM on each of those dates, BE DESIGNATED as an event of municipal significance in the City of London.

Motion Passed

4.1 Year 2018 Tax Policy

Moved by: J. Morgan
Seconded by: J. Helmer

That the following actions be taken with respect to property taxation for 2018:

- a) the Civic Administration BE DIRECTED to bring forward a proposed by-law for introduction and enactment at the Municipal Council meeting to be held on April 24, 2018, reflective of the Corporate Services Committee's recommendation in accordance with Sub-sections 308(4) and 308.1(4) of the Municipal Act, 2001, to set tax ratios in the various property classes in keeping with Option AB2 as detailed in the staff report dated April 17, 2018;
- b) the Civic Administration BE DIRECTED to bring forward a proposed by-law (Appendix C to the staff report dated April 3, 2018) for introduction and enactment at the Municipal Council meeting to be held on April 24, 2018 to fully utilize options available in 2018 to exclude properties in capped property classes which have reached current value assessment tax levels or higher in 2017 from being capped again in 2018 and future years;
- c) the Civic Administration BE DIRECTED to bring forward a proposed by-law (Appendix D to the staff report dated April 3, 2018) for introduction and enactment at the Municipal Council meeting to be held on April 24, 2018 to initiate a 4-year phase out of capping for any of the non-residential property classes where London is eligible for such option and exclude vacant land from the capping phase-out eligibility criteria where all properties must be within 50% of CVA level taxes;
- d) the Civic Administration BE DIRECTED to bring forward a proposed by-law (Appendix E to the staff report dated April 3, 2018) for introduction and enactment at the Municipal Council meeting to be held on April 24, 2018 to limit capping protection only to reassessment related changes prior to 2017 and that reassessment changes in capped classes thereafter would not be subject to the cap;
- e) the Civic Administration BE DIRECTED to bring forward a proposed by-law (Appendix F to the staff report dated April 3, 2018) for introduction and enactment at the Municipal Council meeting to be held on April 24, 2018 to adopt the capping formulae for the commercial, industrial

and multi-residential property classes as described in detail in the staff report dated April 3, 2018.

Yeas: (5): J. Helmer, J. Morgan, M. van Holst, J. Zaifman, and Mayor M. Brown

Absent (1): P. Hubert

Motion Passed (5 to 0)

5. Deferred Matters/Additional Business

None.

6. Confidential (Enclosed for Members only.)

6.1 Land Acquisition/Disposition/Solicitor-Client Privileged Advice

Moved by: J. Zaifman

Seconded by: M. van Holst

That the Corporate Services Committee convene in camera for the purpose of considering a matter pertaining to instructions and directions to officers and employees of the Corporation pertaining to a proposed disposition of land; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; reports or advice or recommendations of officers and employees of the Corporation pertaining to a proposed disposition of land; commercial and financial information supplied in confidence pertaining to the proposed acquisition the disclosure of which could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of the Corporation, result in similar information no longer being supplied to the Corporation where it is in the public interest that similar information continue to be so supplied, and result in undue loss or gain to any person, group, committee or financial institution or agency; commercial, information relating to the proposed acquisition that belongs to the Corporation that has monetary value or potential monetary value; information concerning the proposed acquisition whose disclosure could reasonably be expected to prejudice the economic interests of the Corporation or its competitive position; information concerning the proposed acquisition whose disclosure could reasonably be expected to be injurious to the financial interests of the Corporation; and instructions to be applied to any negotiations carried on or to be carried on by or on behalf of the Corporation concerning the proposed acquisition.

Yeas: (5): J. Helmer, J. Morgan, M. van Holst, J. Zaifman, and Mayor M. Brown

Absent (1): P. Hubert

Motion Passed (5 to 0)

The Corporate Services Committee convened in camera from 1:18 PM to 1:25 PM.

7. Adjournment

The meeting adjourned at 1:26 PM.