

Corporate Services Committee

Report

17th Meeting of the Corporate Services Committee
November 2, 2020

PRESENT: Councillors A. Kayabaga (Chair), M. van Holst, J. Helmer, J. Morgan, A. Hopkins, Mayor E. Holder

ALSO PRESENT: J. Taylor, C. Saunders, B. Westlake-Power
Remote attendance: Councillors S. Lewis, M. Cassidy and S. Lehman; L. Livingstone, A. Barbon, B. Card, I. Collins, S. Corman, J. Logan, K. Murray, M. Schulthess, E. Skalski, S. Tatavarti, B. Warner, J. Wills, P. Yeoman
The meeting was called to order at 12:07 PM; it being noted that the following Members were in remote attendance: Mayor E. Holder, Councillors M. van Holst, J. Helmer, J. Morgan and A. Hopkins.

1. Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

2. Consent

Moved by: E. Holder

Seconded by: J. Morgan

That Consent items 2.1 to 2.5 BE APPROVED.

Yeas: (6): A. Kayabaga, M. van Holst, J. Helmer, J. Morgan, A. Hopkins, and E. Holder

Motion Passed (6 to 0)

2.1 Authorization for Temporary Borrowing

Moved by: E. Holder

Seconded by: J. Morgan

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the proposed by-law as appended to the staff report dated November 2, 2020 as Appendix "A" BE INTRODUCED at the Municipal Council meeting on November 10, 2020 to authorize the temporary borrowing of certain sums to meet current expenditures of The Corporation of the City of London for the year 2021.

Motion Passed

2.2 Annual Report Risk Management Services

Moved by: E. Holder

Seconded by: J. Morgan

That, on the recommendation of the Managing Director Corporate Services and City Solicitor and the Manager III, Risk Management Division, the staff report dated November 2, 2020 regarding the Annual Report - Risk Management Services BE RECEIVED for information.

Motion Passed

2.3 Amending By-law Re: Electronic Registration of Real Property Documents

Moved by: E. Holder
Seconded by: J. Morgan

That, on the recommendation of the Managing Director, Corporate Services and City Solicitor, the proposed by-law as appended to the staff report dated November 2, 2020 as Appendix "A" BE INTRODUCED at the Municipal Council meeting on November 10, 2020 to amend By-Law No. A.-5719-117, a by-law respecting the execution of real property related documents by electronic means.

Motion Passed

2.4 Pre-Authorized Tax Payment Plan By-law and Collection of Property Taxes By-law

Moved by: E. Holder
Seconded by: J. Morgan

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to proposed amendments to the Pre-authorized Tax Payment Plan By-law and Collection of Property Tax By-law for the 2021 taxation period:

a) the proposed by-law as appended to the staff report dated November 2, 2020 as Appendix "A", BE INTRODUCED at the Municipal Council meeting to be held on November 10, 2020 to amend By-law No. A.-5505-497, as amended, entitled, "A by-law to authorize the implementation of a pre-authorized tax payment plan for The Corporation of the City of London" by changing the multiplier to determine the pre-authorized property tax payment from 1.012 to 1.025 effective January 1, 2021"; and,

b) the proposed by-law as appended to the staff report dated November 2, 2020 as Appendix "B", BE INTRODUCED at the Municipal Council meeting to be held on November 10, 2020 to amend By-law No. A-8, as amended, entitled "Property Tax Collection by-law" by changing the calculation percent for the Interim Levy from 40.48% to 41% effective January 1, 2021";

it being noted that the Corporate Services Committee received a communication dated October 29, 2020 from C. Butler with respect to this matter.

Motion Passed

2.5 Declare Surplus - Portion of City-Owned Land - 3047 White Oak Road

Moved by: E. Holder
Seconded by: J. Morgan

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, on the advice of the Manager of Realty Services, with respect to a portion of City-owned land located on west side of White Oak Road, abutting the south side of 3033 White Oak Road, described as Part Lots 4 and 5, Plan 643, as in 302417,

being all of PIN 08209-0084 (LT) in the City of London, County of Middlesex, as shown on Schedule "A" of the staff report dated November 2, 2020 (the "Property"), the following actions be taken:

- a) the subject property BE DECLARED surplus; and
- b) the subject property ("Surplus Lands") BE SOLD by way of tender in accordance with the City's Sale and Other Disposition of Land Policy.

Motion Passed

3. Scheduled Items

None.

4. Items for Direction

- 4.1 Request for Delegation Status - Jacqueline Madden and Michael Dawthorne

Moved by: A. Hopkins

Seconded by: J. Morgan

That it BE NOTED that the Corporate Services Committee received a communication dated October 21, 2020 and delegation from Jacqueline Madden and Michael Dawthorne with respect to their concerns related to the Accessibility Advisory Committee.

Yeas: (6): A. Kayabaga, M. van Holst, J. Helmer, J. Morgan, A. Hopkins, and E. Holder

Motion Passed (6 to 0)

Additional votes:

Moved by: J. Helmer

Seconded by: A. Hopkins

That the requested delegation, as identified on the public agenda, BE APPROVED to heard at this time.

Yeas: (6): A. Kayabaga, M. van Holst, J. Helmer, J. Morgan, A. Hopkins, and E. Holder

Motion Passed (6 to 0)

5. Deferred Matters/Additional Business

- 5.1 Corporate Services Committee Deferred Matters List

Moved by: J. Helmer

Seconded by: J. Morgan

That the Corporate Services Committee Deferred Matters List, as of October 26, 2020, BE RECEIVED.

Yeas: (6): A. Kayabaga, M. van Holst, J. Helmer, J. Morgan, A. Hopkins, and E. Holder

Motion Passed (6 to 0)

- 5.2 (ADDED) Proposed Changes to the Municipal Elections Act, 1996

Moved by: J. Morgan
Seconded by: E. Holder

That, on the recommendation of the City Clerk, the staff report dated November 2, 2020 entitled "Changes to the *Municipal Elections Act, 1996*" BE RECEIVED for information.

Yeas: (6): A. Kayabaga, M. van Holst, J. Helmer, J. Morgan, A. Hopkins, and E. Holder

Motion Passed (6 to 0)

5.3 Small Business Support

Moved by: J. Morgan
Seconded by: A. Kayabaga

That the following actions be taken to assist London businesses in mitigating financial losses as a result of Public Health regulations put in place with respect to COVID-19:

- a) the Province of Ontario BE ADVISED that the City of London supports the measures being put in place to assist local economies and businesses in offsetting the financial impacts resulting from the implementation of public health measures; and,
- b) the Mayor BE REQUESTED to engage with the Premier and the Minister of Finance to request that London businesses impacted by section 22 Orders under the Health Protection and Promotion Act, R.S.O. 1990 be provided with access to the funding provided for in the new \$300 million Business Support Fund.

Yeas: (6): A. Kayabaga, M. van Holst, J. Helmer, J. Morgan, A. Hopkins, and E. Holder

Motion Passed (6 to 0)

6. Confidential (Enclosed for Members only.)

Moved by: A. Hopkins
Seconded by: J. Helmer

That the Corporate Services Committee convene, In Closed Session, to consider the following matters:

6.1 Land Acquisition / Solicitor-Client Privileged Advice / Position, Plan, Procedure, Criteria or Instruction to be Applied to Any Negotiations

A matter pertaining to the proposed or pending acquisition of land by the municipality, including communications necessary for that purpose; advice that is subject to solicitor-client privilege; commercial and financial information, that belongs to the municipality and has monetary value or potential monetary value and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality.

6.2 Land Acquisition / Solicitor-Client Privileged Advice / Position, Plan, Procedure, Criteria or Instruction to be Applied to Any Negotiations

A matter pertaining to the proposed or pending acquisition of land by the municipality, including communications necessary for that purpose; advice that is subject to solicitor-client privilege; commercial and financial information, that belongs to the municipality and has monetary value or potential monetary value and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality.

6.3 Land Disposition / Solicitor-Client Privileged Advice / Position, Plan, Procedure, Criteria or Instruction to be Applied to Any Negotiations

A matter pertaining to the proposed or pending disposition of land by the municipality, including communications necessary for that purpose; advice that is subject to solicitor-client privilege; commercial and financial information, that belongs to the municipality and has monetary value or potential monetary value and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality.

Yeas: (6): A. Kayabaga, M. van Holst, J. Helmer, J. Morgan, A. Hopkins, and E. Holder

Motion Passed (6 to 0)

The Corporate Services Committee convened, In Closed Session, from 1:22 PM to 1:38 PM.

7. Adjournment

The meeting adjourned at 1:40 PM.

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON NOVEMBER 2, 2020
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	AUTHORIZATION FOR TEMPORARY BORROWING

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the attached proposed by-law (Appendix "A") **BE INTRODUCED** at the Municipal Council meeting on November 10, 2020 to authorize the temporary borrowing of certain sums to meet current expenditures of The Corporation of the City of London for the year 2021.

LINK TO THE 2019-2023 STRATEGIC PLAN

Council's 2019-2023 Strategic Plan for the City of London identifies "Leading in Public Service" as one of five strategic areas of focus. Authorization for temporary borrowing supports this strategic area of focus by contributing to the strategy "Continue to ensure the strength and sustainability of London's finances". This strategy, among others, helps to ensure that the City's finances are transparent and well planned and that they balance equity and affordability over the long term. This Authorization for Temporary Borrowing report ensures that the proper mechanisms are in place to manage cash flows and to help maintain the City's stable operations.

BACKGROUND

The purpose of the proposed by-law is to authorize the City Treasurer or Deputy Treasurer to temporarily borrow funds, not exceeding \$100 million, to meet current expenditures, if required for 2021. This by-law is generally brought forward on an annual basis.

Section 407 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, allows a municipality to authorize temporary borrowing, at any time during the fiscal year, the amounts considered necessary to meet expenses of the municipality for the year until taxes are collected and other revenues are received.

The City's best option for temporary borrowing is internally from the City's Reserve Funds, rather than obtaining external financing. A fair rate of interest is earned by the Reserve Funds and charged to the General Fund during the borrowing period. If cash from Reserve Funds is not available for temporary borrowing, the City will seek external options, such as drawing on an operating line of credit held at the City's bank. The City has never drawn on its line of credit but has borrowed from Reserve Funds in the past, which was last done in January 2012.

The City has and continues to maintain an adequate cash position and liquidity amid the pandemic, not only ensuring all financial commitments are continued to be met but also appropriate cash reserves are held for contingencies. The City has not yet needed to draw on the line of credit during the course of the COVID-19 pandemic as a number of cash management strategies were implemented. Strategies included:

- Detailed monitoring of cash flows on a daily basis
- Allowing internally managed investments to mature and not reinvesting maturities into the standard maturity timeframe that was in effect prior to the pandemic
- Purchasing investments with short term maturities or early redemption provisions
- Deferring property tax supported contributions to reserve funds until deferred property tax payments/installments are received

- Setting an internal cash floor limit equal to the City's reserve balances on general/operating funds

As the City's services evolve and certain previously deferred projects are reinstated, Civic Administration continues to monitor cash flows and balances. This will become increasingly important once again as the 2nd wave of the pandemic continues to evolve. Specific attention is being placed on cash management over the next 12 months, noting that some of the cash management strategies outlined above will continue to be implemented into 2021. Given current forecasts and assumptions it is not projected that the City will need to utilize its line of credit in 2021. It should be noted, given the dynamic and evolving situation with COVID-19, an unfavorable change in circumstances can quickly change current projections.

The proposed temporary borrowing by-law is being brought forward at this time as a precautionary measure in the event of any unanticipated near-term cash requirements or interruptions in operating cash flows and to ensure this by-law is in effect on the first day of 2021.

Financial Impact

The temporary borrowing of funds, if required, would result in additional interest charges in the 2021 budget.

CONCLUSION

The authorization for temporary borrowing ensures that the proper mechanisms are in place to manage cash flows and promotes stable operations, even during any unanticipated or unforeseen events. The need for temporary borrowing is not currently anticipated to be required in 2021.

PREPARED BY:	REVIEWED BY:
FOLAKEMI AJIBOLA, CTP MANAGER, FINANCIAL MODELLING, FORECASTING & SYSTEMS CONTROL	MARTIN GALCZYNSKI, CPA, CA MANAGER, FINANCIAL PLANNING AND POLICY
CONCURRED BY:	RECOMMENDED BY:
KYLE MURRAY, CPA, CA DIRECTOR, FINANCIAL PLANNING & BUSINESS SUPPORT	ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER

Attachments: Appendix "A" - By-law

Cc: Ian Collins, Director, Financial Services

APPENDIX "A"

Bill No.
2020

By-law No.

A by-law to authorize the City Treasurer or Deputy Treasurer of The Corporation of the City of London to borrow certain sums to meet current expenditures of the Corporation for the year 2021.

WHEREAS the Municipal Council of The Corporation of the City of London deems it necessary to borrow monies to meet the current expenditures of the Corporation for the year 2021 pending the collection of current revenues;

AND WHEREAS under section 407 of the *Municipal Act, 2001, S.O. 2001, c.25*, as amended, the Corporation is authorized to borrow for current purposes from January 1st to September 30th in the year, 50 per cent of the total estimated revenues of the municipality as set out in the budget adopted for the year; and from October 1st to December 31st in the year, 25 per cent of the total estimated revenues of the municipality as set out in the budget adopted for the year;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The City Treasurer or Deputy Treasurer of The Corporation of the City of London (hereinafter referred to as the "Corporation") are hereby authorized to borrow from time to time from the Bank of Nova Scotia, or other person or persons, by way of promissory notes and/or the City's operating credit line and at such rate or rates of interest as they may approve, such sum or sums which together with the total of all other temporary borrowings hereunder that have not been repaid shall not exceed \$100,000,000 at any one time, to meet, until the taxes are collected, the current expenditures of the Corporation for the year 2021; provided that notwithstanding the sums authorized to be borrowed hereunder, the amount that may be borrowed hereunder at any one time, together with the total of any similar borrowings that have not been repaid, shall not, except with the approval of the Local Planning Appeal Tribunal, exceed from January 1st to September 30th in the year, 50 per cent of the total estimated revenues of the municipality as set out in the budget adopted for the year; and from October 1st to December 31st in the year, 25 per cent of the total estimated revenues of the municipality as set out in the budget adopted for the year, all as provided for in section 407 of the *Municipal Act, 2001, S.O. 2001, c.25*, as amended.
2. All promissory notes of the Corporation shall be sealed with the seal of the Corporation and signed by the Mayor, the Deputy Mayor or the Acting Mayor, and by the City Treasurer or the Deputy Treasurer; provided however, that the signature of the Mayor, the Deputy Mayor or the Acting Mayor, may be written or stamped, printed, lithographed, engraved or otherwise mechanically reproduced.
3. Promissory notes signed in accordance with this by-law and sealed with the seal of the Corporation, for the amounts from time to time borrowed under the authority hereof, and interest thereon, may be given to the Bank of Nova Scotia, its representative, or other person or persons from time to time as security for such loans.
4. The City Treasurer is authorized and directed to apply in payment of the money borrowed as aforesaid, together with the interest thereon, all the monies now or hereafter collected or received on account or realized in respect of taxes levied for 2021 and any preceding year, and all the monies collected or received from other sources excluding the sale of debentures, which may be lawfully applied for such purposes.

5. The Mayor, the Deputy Mayor or the Acting Mayor, and the City Treasurer or the Deputy Treasurer of the Corporation are authorized to execute on behalf of the Corporation, under its Corporate Seal, and delivered to the Bank of Nova Scotia, or its representative or other persons, an agreement that all or any sums borrowed for any or all of the purposes mentioned in section 407 of the *Municipal Act, 2001, S.O. 2001, c.25*, as amended, shall, with interest thereon, be a charge upon the whole or any part or parts of the revenues of the Corporation for 2021 and for any preceding year as and when such revenues are received; provided that such charge does not defeat or effect and is subject to any prior charge then subsisting in favor of any other lender.

6. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on November 10, 2020.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – November 10, 2020
Second Reading – November 10, 2020
Third Reading – November 10, 2020

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON MONDAY, NOVEMBER 2, 2020
FROM:	BARRY CARD MANAGING DIRECTOR CORPORATE SERVICES AND CITY SOLICITOR AND JASON WILLS MANAGER III, RISK MANAGEMENT DIVISION
SUBJECT:	ANNUAL REPORT RISK MANAGEMENT SERVICES

RECOMMENDATION

That, on the recommendation of the Managing Director Corporate Services and City Solicitor and the Manager III, Risk Management Division, this report **BE RECEIVED** for information.

STRATEGIC PLAN

Strengthening our Community: Londoners have access to the services and supports that promote well-being, health and safety in their neighbourhoods and across the city.

PURPOSE

The purpose of this report is to give an overview of Risk Management costs and statistics for 2019/2020 compared to prior years.

BACKGROUND

The Division provides insurance and risk management services to the Corporation and City Boards.

The City's portfolio includes the following Boards:

- London Convention Centre Corporation o/a RBC Place
- Covent Garden Market Corporation
- London Public Library Board
- London Police Services Board
- London and Eldon House Corporation
- Museum London
- Housing Development Corporation, London

The Division is committed to continuous improvement through activities that eliminate, mitigate and control risk in order to protect the health, safety and welfare of the public, City Council, employees and its property, assets, reputation and other resources from the risks arising from all City operations.

The primary role of the Division is to administer the City's insurance portfolio, manage loss exposure associated with claims made against the City, and manage recovery of loss to City assets. The Division achieves this by using risk management, legal, and insurance practices.

INSURANCE AND CLAIMS

INSURANCE

The City's insurance provider is the Frank Cowan Company. They have held the account since 2016, initially with a four year agreement, which has been extended an additional three years through the RFP process completed last year. Since inception, Frank Cowan has delivered consistent rates, with a maximum annual increase of 3%, and in 2020 we saw a 12% decrease in overall premium.

Starting in 2018 three new policies were added to the program; Cyber Insurance, Aviation (Drone-Police only) and the addition of the Directors & Officers policy for the Housing Development Corporation. As part of the RFP for the 2020 Renewal and Insurance Program, the Museum London's Fine Art Policy was brought into the program, making the 12% decrease even more acceptable considering the addition of this policy.

Insurance premiums past 5 Years

Insurance Premium	2021 Jan 1 st	2020	2019	2018	2017	2016
Change over Previous Year		-\$267,087	\$79,478	\$98,386	\$15,822	
Percent Change	13% Projection	-12%	3%	4%	1%	

* Tax excluded

Appendix A contains a list of Policies.

The City has been able to maintain premium stability through pro-active risk management and claims mitigation which allows competitive underwriting of our policies. The upcoming renewal premium is projected to be 13% increase. This is due mainly to a hardening insurance market, rather than increased asset value or the City's claims experience. Over the past two years the insurance market has increased rates and tightened coverage to correct catastrophic losses incurred in the global reinsurance market. Market conditions are projected to continue with rising premiums and coverage restrictions.

From a budgetary perspective, premiums have been allocated on an annual basis in the current operating budget to the appropriate service areas. The multi-year budget has accounted for the anticipated premium increase.

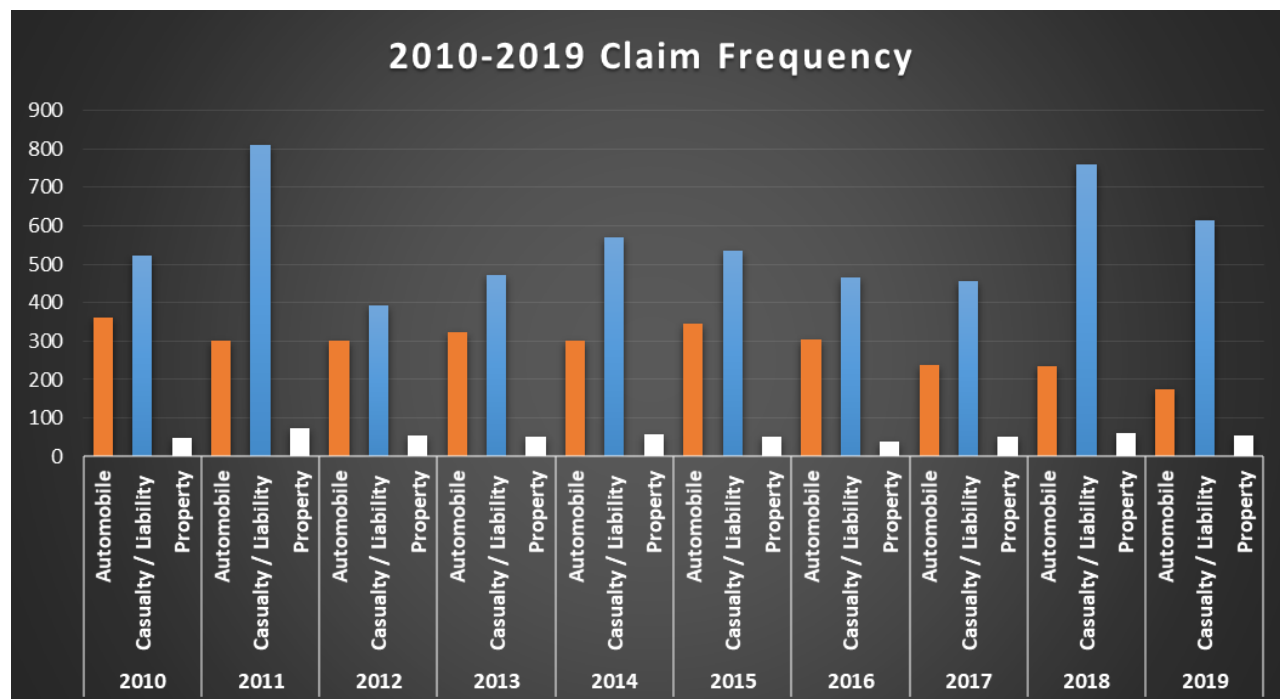
CLAIMS

The Division manages all claims within the City's deductible levels, in-house. This allows for efficient handling with direct communication to service areas and provides the following benefits:

- a) Objective and professional treatment of all claims.
- b) Protection of the City's defenses in the event a claim is pursued in the courts.
- c) Compliance with the conditions of the City's Contract of Insurance.
- d) A businesslike approach accepting responsibility only where legal liability exists. This avoids setting precedents and exposing the City to significant liability, which may occur if responsibility was accepted on a nominal basis, temperament, or the claimant's lack of insurance coverage, etc.

Our mission of supporting operational and non-financial risk management is achieved by providing vital information to service areas throughout the Corporation.

The chart below looks at the number of claims over the last ten years.



Municipal claims essentially fall into the following categories.

AUTO FLEET - Auto claims for physical damage and third party liability. In the City's portfolio we have a combined fleet of 760 vehicles. City - 467 / Police - 225 / Fire - 68.

CASUALTY/LIABILITY

Maintenance – As the road authority, significant responsibilities come from road and sidewalk maintenance, Parks, boulevard trees and storm sewers.

Enforcement – Law enforcement, By-law enforcement, Fire & building inspection, plans approvals. Municipalities have many enforcement, inspection and approval responsibilities.

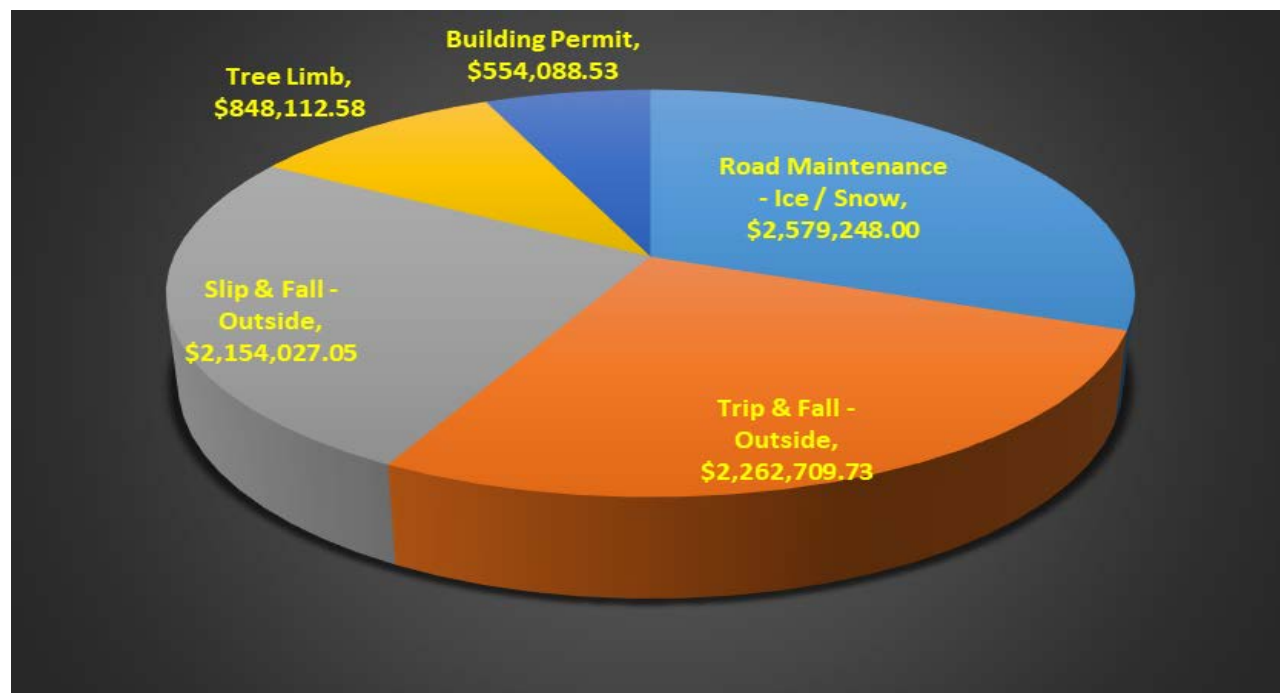
PROPERTY – Flood / Fire and Theft are accounted for in this class.

2010-2019 Claim Expenses

Claims Category	Claims	Net Paid	% of Net paid
Auto Fleet	2886	\$5,955,261	24%
Liability	5596	\$15,615,956	64%
Property	540	\$2,953,318	12%
Grand Total	9022	\$24,524,535	100%
Annual Average	902	\$2,452,453	

Liability claims produce the greatest frequency and expense. They often involve litigation which leads to a longer life cycle.

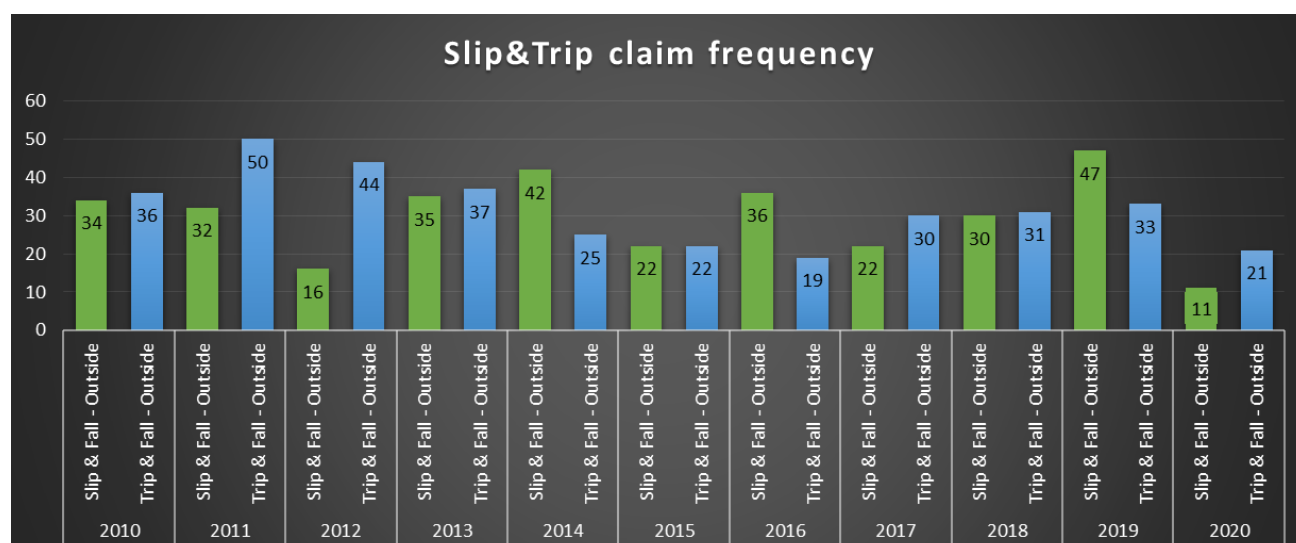
The leading causes of loss with the greatest expense.



Leading cause of loss	Expense	Number of Claims	per claim average
Road Maintenance - Ice / Snow	\$2,579,248.00	884	\$2,917.70
Trip & Fall - Outside	\$2,262,709.73	348	\$6,502.04
Slip & Fall - Outside	\$2,154,027.05	327	\$6,587.24
Tree Limb	\$848,112.58	337	\$2,516.65
Building Permit	\$554,088.53	52	\$10,655.55

Road maintenance is the leading cause of loss for the City. This is the leading risk for many municipalities. City streets are maintained according to guidelines set out by the Province. The City follows stringent standards to keep routes clear, safe and accessible for all users.

The City's sidewalk maintenance is vital to reducing liability. As part of the City's efforts to keep all 1,500 km of our sidewalks in good condition, crews are continually repairing surface cracks, unevenness and other minor sidewalk issues.



Slips and trips occur with a lower frequency than road maintenance claims while earning a higher per claim expense. It is imperative to continue appropriate resources to sidewalk infrastructure and maintenance.

Tree maintenance; injury and property damage claims from downed tree limbs are low in frequency, however; they can yield significant claim expenses. As the City grows its canopy, our attention to maintenance should be a key component.

Building Permits due to the broad scope of inspection requirements in addition to substantial application volume creates a claim exposure for many municipalities.

In addition to these leading causes of loss, stands a lengthy list of loss types such as flooding, construction, park pathways etc... The Corporation and associated Boards have numerous service areas who focus on repair, maintaining and rebuilding the City's infrastructure and the Division lends support to all service areas in their goal to promote safety and enhance the public's quality of life. The by-product of these efforts is a lower expense for claims and insurance.

Claims in 2020 as of October 20th

Automobile	\$256,520.56	79.41%	102	25.37%
Casualty / Liability	\$24,713.16	7.65%	283	70.40%
Property	\$41,790.39	12.94%	17	4.23%
Grand Total	\$323,024.11	100.00%	402	100.00%

The number of claims for this year is below the annual average which can likely be attributed to lower activity levels from the pandemic.

Subrogation Summary

Recoveries are carried out by the Division on behalf of other City departments. When a third party is at fault for a City loss, the Division will pursue recover from the at-fault third party or the at-fault party's insurer.

A majority of these damages are for traffic signals, street lights, traffic signs and trees. Over a six (6) year span, we have recovered \$1,363,022, which has been returned to the divisions that incurred the upfront costs.

Year	Amount Recovered
2020	\$160,215
2019	\$284,947
2018	\$309,600
2017	\$356,964
2016	\$85,689
2015	\$193,921
2014	\$131,901

Recovery totals vary by year due to fluctuating levels of claim frequency and severity and the probability of identifying the at-fault party. It is anticipated this year's recoveries will be in line with what was recovered in 2019.

CONCLUSION

Claims are down in 2020 at this time. This may be a temporary lull amidst the many closures and limited operations. Inclement weather and or a return to pre-covid business levels will likely lead us back to the annual claim averages.

The coronavirus pandemic has changed much of the way we conduct our business. Municipalities across Canada reacted swiftly and redefined their operations to ensure critical services continued. The City of London's business continuity plans have been

largely successful and operational risk functions have taken a much more active role than ever before in facilitating change and guiding service areas through the crisis.

The Division works closely with service areas to share guidance and to support their operational risk mitigation measures to address coronavirus-related issues.

In 2021, we hope to have a clearer picture of how the corona virus crisis has affected operational risk and we will be able to reflect this in next year's report. This will allow us to understand the full operational costs suffered.

PREPARED BY:	RECOMMENDED BY:
JASON WILLS – MANAGER III RISK MANAGEMENT	BARRY CARD MANAGING DIRECTOR, CORPORATE SERVICES & CITY SOLICITOR



City of London Summary of Coverage

POLICY TYPE	INSURER	COVERAGE LIMIT
General Liability	The Guarantee (60.00%); Lloyds (20.00%); Temple (20.00%)	\$15,000,000 (plus excess policies = \$50,000,000 total limit); Wrongful dismissal legal fees - \$500,000 per claim; \$500,000 aggregate
Errors & Omissions	The Guarantee (60.00%); Lloyds (20.00%); Temple (20.00%)	\$15,000,000 (plus excess policies = \$50,000,000 total limit)
Non-Owned Auto	The Guarantee (60.00%); Lloyds (20.00%); Temple (20.00%)	\$15,000,000 (plus excess policies = \$50,000,000 total limit)
Environmental Liability	The Guarantee (60.00%); Lloyds (20.00%); Temple (20.00%)	\$5,000,000 per claim; \$5,000,000 aggregate
Crime	The Guarantee (60.00%); Lloyds (20.00%); Temple (20.00%)	Employee dishonesty - \$1,000,000; Loss inside/outside premises - \$300,000; Money orders and counterfeit - \$200,000; Depositors forgery - \$1,000,000; Computer fraud - \$200,000; Credit card forgery - \$10,000; Audit Expenses - \$200,000
Conflict of Interest	The Guarantee (60.00%); Lloyds (20.00%); Temple (20.00%)	\$100,000 per claim; No aggregate
Legal Expense	The Guarantee (100%)	\$250,000 per claim; \$500,000 aggregate

POLICY TYPE	INSURER	COVERAGE LIMIT
Property and Data Processing Including Fine Arts	The Guarantee (64.65%); Lloyds (20.00%); Temple (15.35%)	\$2,286,082,394 total insured values;
Equipment Breakdown	BI&I (100%)	\$100,000,000 (see schedule of coverage for details regarding gross rentals and gross earnings, contamination and extra expense)
Owned Auto	The Guarantee (100%)	\$15,000,000 (plus excess policies = \$50,000,000 total limit)
Garage Auto	The Guarantee (100%)	\$15,000,000 (plus excess policies = \$50,000,000 total limit);
Cyber Liability	XL Catlin (100%)	\$2,000,000 Each Claim \$2,000,000 Aggregate
Unmanned Aircraft Vehicle Liability (London Police)	Global Aerospace (100%)	\$5,000,000 Each Claim
Follow Form 1st layer	The Guarantee (100%)	\$10,000,000
Follow Form 2nd layer	XL Catlin (100%)	\$25,000,000
Directors & Officers Liability (Housing Development Corporation, London)	The Guarantee (100%)	\$1,000,000 Each Claim \$1,000,000 Aggregate

This handout is intended to provide general information only. Please refer to the policy document for complete details. The policy terms, conditions and limitations shall apply in all instances. FCC-1115

Built with integrity, leading through innovation.

Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee
From: Sachit Tatavarti
Solicitor I, City Solicitor's Office
Subject: Amending By-law Re: Electronic Registration of Real
Property Documents
Meeting on: November 2nd, 2020

Recommendation

That, on the recommendation of the Managing Director, Corporate Services and City Solicitor, the proposed by-law attached as Appendix "A" **BE INTRODUCED** at the Municipal Council meeting on November 10th, 2020 to amend By-Law No. A.-5719-117, a by-law respecting the execution of real property related documents by electronic means.

Previous Reports Pertinent to this Matter

None.

Background

Real property transactions in the Province of Ontario are primarily completed through the Electronic Land Registration System, which permits title documents to be registered electronically through the Teraview software platform. In Ontario, only licenced lawyers in good standing with the Law Society of Ontario are authorized to complete transfers of real property.

By-Law No. A.-5719-117 was passed on April 17th, 2001. The by-law authorizes the City Solicitor to designate to certain solicitors the authority to sign electronic documents on behalf of the City, as required to complete real property transactions approved by Municipal Council in a by-law. The designated solicitors are listed in Schedule "A" to the by-law.

To avoid requiring future by-law amendments to update the designated solicitor list and allow the City Solicitor to efficiently exercise the authority delegated by Municipal Council under By-Law No. A.-5719-117, it is recommended that Schedule "A" be removed from the by-law. The proposed by-law shall require the City Solicitor to designate, in writing, all solicitors authorized to electronically sign property documents on behalf of the Corporation.

Conclusion

The proposed amendments to By-Law No. A.-5719-117 attached as Appendix "A" shall permit the City Solicitor to efficiently update the list of solicitors authorized to electronically sign documents on behalf of the City, as required to complete real property transactions approved by Municipal Council.

Prepared by:	Sachit Tatavarti Solicitor I, City Solicitor's Office
Recommended by:	Barry R. Card Managing Director, Corporate Services and City Solicitor

October 26, 2020

APPENDIX "A"

Bill No.
2020

By-law No.

A By-law to amend By-law A.-5719-117 entitled, "A by-law respecting the execution of real property related documents by electronic means."

WHEREAS subsection 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, provides that a municipal power shall be exercised by by-law;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. Section 1 of By-law A.-5719-117 is amended by:
 - (a) adding the phrase "in writing" after the phrase "so designated"; and
 - (b) deleting the phrase "Commissioner of Legal Services &".
2. Section 2 of By-law A.-5719-117 is deleted in its entirety.
3. Schedule "A" of By-law A.-5719-117 is deleted in its entirety.
4. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on _____, 2020.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading -
Second Reading –
Third Reading –

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON NOVEMBER 2, 2020
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	PRE-AUTHORIZED TAX PAYMENT PLAN BY-LAW AND COLLECTION OF PROPERTY TAXES BY-LAW

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to proposed amendments to the Pre-authorized Tax Payment Plan By-law and Collection of Property Tax By-law for the 2021 taxation period:

- a) the proposed by-law attached as Appendix "A", "A by-law to amend By-law No. A.-5505-497, as amended, entitled, "A by-law to authorize the implementation of a pre-authorized tax payment plan for The Corporation of the City of London" by changing the multiplier to determine the pre-authorized property tax payment from 1.012 to 1.025 effective January 1, 2021" **BE INTRODUCED** at the Municipal Council meeting to be held on November 10th 2020; and,
- b) the proposed by-law attached as Appendix "B" A by-law to amend By-law No. A-8, as amended entitled "Property Tax Collection by-law' by changing the calculation percent for the Interim Levy from 40.48% to 41% effective January 1, 2021", **BE INTRODUCED** at the Municipal Council meeting to be held on November 10th, 2020.

BACKGROUND

Section 317 of the *Municipal Act, 2001* permits a municipality to levy taxes prior to the completion of its annual budget and the determination of education tax rates by the Province. Sections 342 and 307 of the Act provide additional flexibility with respect to due dates and payment arrangements. In accordance with section 317 the amount that can be levied on each property prior to the adoption of the budget is limited to fifty percent of the total property taxes applicable to the property in the previous year. Interim tax levies provide the municipality with funds to operate and make remittances to school boards prior to the finalization of municipal and education tax rates for the year. Interim tax levies do not affect the determination of total final taxes for the year as any taxes not billed at interim time are included on the final tax bill.

Beginning in 2011 the City has provided for the adjustment of the interim billing tax rate each year by the approximate amount of the average tax increase in the residential property class in the previous year. This annual adjustment permits the City to bill 5 instalments each year, which typically are due at the end of February, April, June, August and October, and ensures that the amounts of each instalment are approximately equal. Each instalment is roughly 20% of the total taxes for the year (5x 20% = 100%). Two instalments are billed as an interim levy in January each year (40%) and 3 instalments are billed in May as the final tax instalments for the year (60%). In 2020, the average increase in total property tax rates for the residential property class was 2.5%. Using this basis of calculation the interim tax rate for 2021 would be 41.00% (40% x 1.025) of the 2020 tax rate.

It is therefore recommended that an interim levy of 41.00% of the previous year's taxes be set for the 2021 interim billing in the property tax collection by-law and that the pre-authorized payments for 2021 be based on the previous year's taxes increased by 2.5% representing the average tax increase that occurred in the residential class in 2020. The proposed by-law amendments would have results consistent with past practice and would ensure that the City has sufficient funds to carry on operations and make remittances to local school boards. The proposed by-law amendments should also divide the annual tax billing into 5 approximately equal instalments for the convenience of the individual property owners.

SUMMARY

It is recommended that the pre-authorized payment by-law be amended so that payments for 2021 are based on the taxes of the previous year increased by the average increase in total residential property tax rates in the previous year (i.e. 2.5%). It is also recommended that the property tax collection by-law be amended to set interim tax payments for 2021 on the same basis. This would result in an interim levy of 41.00% of previous year's taxes in 2021.

PREPARED BY:	CONCURRED BY:
JIM LOGAN, CPA, CA DIVISION MANAGER TAXATION & REVENUE	IAN COLLINS, CPA, CMA DIRECTOR, FINANCIAL SERVICES
RECOMMENDED BY:	
ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

Attached: Appendix A
 Appendix B

Appendix "A"

Bill No.
2020

By-law No.

A by-law to amend By-law No. A.-5505-497, as amended, entitled, "A by-law to authorize the implementation of a pre-authorized tax payment plan for The Corporation of the City of London" by changing the multiplier to determine the pre-authorized property tax payment from 1.012 to 1.025 effective January 1, 2021.

WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS subsection 10(1) of the *Municipal Act, 2001* provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public;

AND WHEREAS subsection 342(1) of the *Municipal Act, 2001*, provides the municipality with the power to pass by-laws regarding the payment of taxes;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. By-law No. A.-5505-497, as amended, is further amended in Appendix "A" of the By-law, by deleting paragraph 10 in its entirety and by replacing it with the following new paragraph 10:

"10. For 2021 the amount of the pre-authorized payment for the period January to May shall be calculated as the most recently available assessments consistent with the previous year's assessment valuations multiplied by the total tax rates applicable to the property in the previous year plus or minus any cap adjustment of the previous year and then multiplied by 1.025 and then increased by any local improvement or similar charge applicable to the property in 2021 and then divided by 10 and rounded to the nearest dollar."

2. This by-law comes into force on January 1, 2021

PASSED in Open Council on November 10, 2020

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – November 10, 2020
Second Reading – November 10, 2020
Third Reading – November 10, 2020

Appendix "B"

Bill No.
2020

By-law No.

A by-law to amend By-law No. A-8, as amended entitled "Property Tax Collection by-law" by changing the calculation percent for the Interim Levy from 40.48% to 41% effective January 1, 2021.

WHEREAS subsection 5(3) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 317 of the *Municipal Act, 2001* provides for the passing of by-laws for the levying of interim rates of taxation;

AND WHEREAS sections 342 and 307 of the *Municipal Act, 2001*, provide the municipality with additional flexibility with respect to due dates and payment arrangements;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. Part 1 of By-law A-8, the Property and Business Tax Collection By-law, is hereby amended by deleting section 1.8 in its entirety and by replacing it with the following new section 1.8:

"1.8 Interim Levy – calculation

For the year 2021 the interim levy for a property shall be calculated as 41.00% of the total amount of taxes for municipal and school purposes levied on the property for the previous year."

2. This by-law comes into force on January 1, 2021

PASSED in Open Council on November 10, 2020

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – November 10, 2020
Second Reading – November 10, 2020
Third Reading – November 10, 2020

From: butler.chris

Date: October 29, 2020 at 6:49:14 PM EDT

To: "Saunders, Cathy" <csaunder@london.ca>

Subject: [EXTERNAL] CSC Committee MTG - Nov 2 - Agenda Item 2.4 - Pre-Authorized Tax Payment By - Law

Cathy - Please offer up this note as " Added Agenda " for the CSC Meeting Scheduled Nov 2 – with respect to agenda Item 2.4 – Pre – Authorized Tax Payment By – Law (Changes)

Chair Kayabaga / Mayor Holder & Council Committee Members;

Please accept this as a recommendation to increase the Pre-Authorized Tax Payment multiplier ratio from 1.12 % to 3.9 % which is exactly what the four (4) year Budget Plan was approved for in March – 2020 . This would provide the following advantages ;

- Improved cash flow for tax payers – equalizing payments for what is planned across the 5 payments . This advantage also extends to smoother cash flow management for City Hall .
- An excellent opportunity for this Committee and all Councillors to engage with strong taxpayers feedback in their respective Wards on the upcoming planned tax increase as they open their tax envelopes from City Hall prior to final budget approval in March 2021. This is an excellent way to promote increased involvement from rate payers which has always been a Council & City Hall priority with extremely poor Budget MTG attendance . (Get involved London X 10)
- A great opportunity for the Commercial Sector tax payers and London Chamber of Commerce to reach out to all involved to provide their " early signal " of another cyclone on the expected impact on business closures and that financial impact to Council . They will prevent a re-occurrence of last year where they absorbed the lions share of the allocated increase at + 5.0 % , even after the C-19 impact was being communicated. This will not happen in 2021 , we all know this now so plan for it and communicate it folks.

THXS – Chris Butler – 863 Waterloo St .

Current Status of Site

The City acquired the property in 1970 around the time the adjoining property was acquired for the PUC transformer (now London Hydro). The subject property is located on the west side of White Oak Road and zoned vacant residential land (R1-10). Realty Services has interest from both the neighbouring subdivision developer and the abutting owner to the north in purchasing this parcel.

An internal property liaison process has been completed and no objections to declaring the parcel surplus were received. The site will require a significant amount of fill to make the parcel grade level with surrounding parcels. In addition, the parcel was not included in the external areas to be internal serviced by the subdivision storm sewer. This will create the need for Permanent Private System (PPS) to ensure flows from the site are discharged to the existing 200mm storm sewer on White Oak Road to a reduced controlled rate. The site was also considered by the Housing Development Corporation (HDC) and after further investigations into the viability of the property to support new affordable housing development, it was concluded there is limited potential in that regard. Lastly, London Hydro has also been contacted regarding possible interest and they have declined in having interest in this parcel.

Interim Grading Requirement – Encroachment Agreement

The neighbouring developer White Rock Village Inc. approached the City earlier this year with the request to build a temporary graded slope on the City parcel as part of their Draft Plan of Subdivision approval 39T-18505 for their abutting lands. The request was reviewed with internal stakeholders and supported by Development Services (DS). The alternative was a concrete retaining wall at the property line, which posed future issues with maintenance, repair, and liability. In July 2020, the Encroachment Agreement was finalized with White Rock Village Inc. and approved by the City Solicitor's Office. The Encroachment Agreement will be terminated pending a surplus declaration is received and a tender sale is finalized.

An internal appraisal of the property has been completed to determine the estimated fair market value of the property, which will be relied upon during disposition.

The Sale and Other Disposition of Land policy under Section 4 Methods of Sale allows for the disposition of lands through the tender process.

Conclusion

The property is surplus to the needs of the City and therefore recommended to be declared surplus and sold by way of tender in accordance with the City's Sale and Other Disposition of Land Policy.

A location map and property aerial are attached as Schedule "A: for the Committee's information.

PREPARED BY:	SUBMITTED BY :
ADAM OSTROWSKI MANAGER II, REALTY SERVICES	BILL WARNER MANAGER OF REALTY SERVICES
RECOMMENDED BY:	
ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

October 20, 2020
Attach.

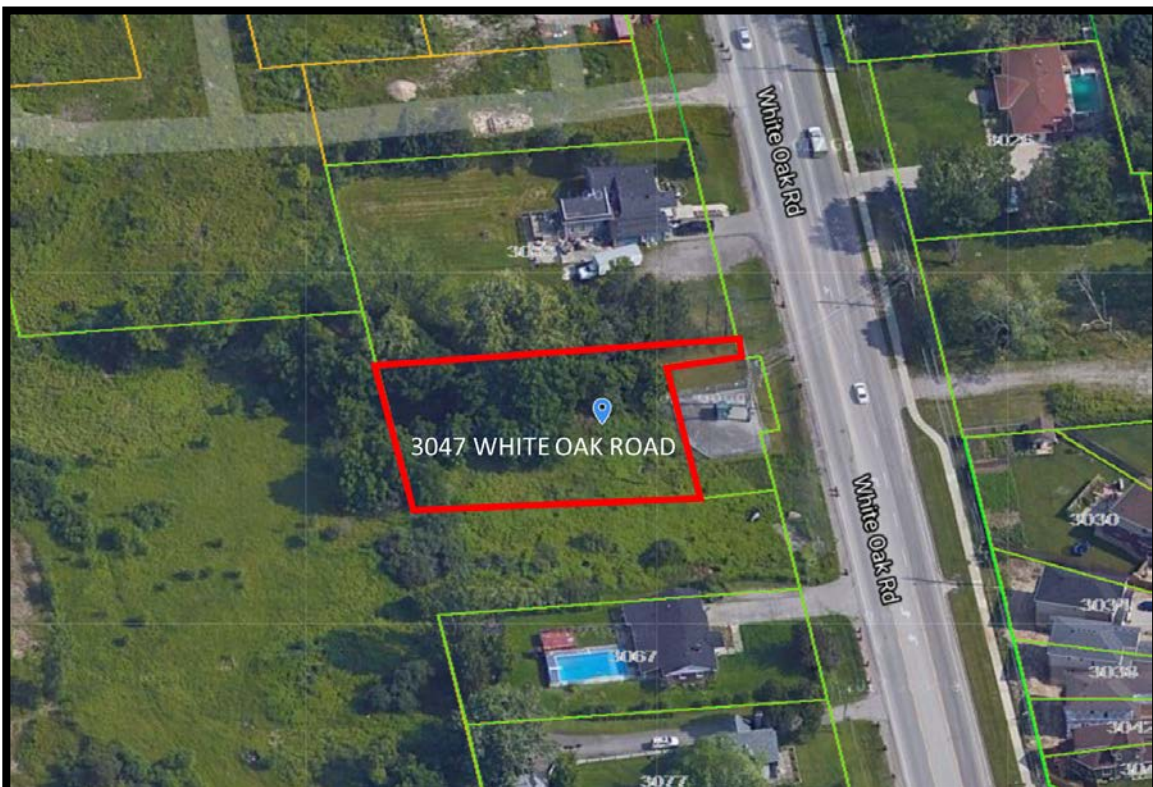
File No. P-2507 (2)

cc: Gary Irwin, Division Manager and Chief Surveyor, Geomatics
Adam Salton, Manager, Zoning & Public Property Compliance
Sachit Tataavarti, Solicitor
Matt Feldberg, Manager, Development Services (Subdivisions)

SCHEDULE "A"
Location Map



Zoomed In Aerial



Thank you for your response.

We would be happy to request delegation status for the Corporate Services Committee for the Nov. 2nd meeting.

Thanks.

Jacqueline Madden

From: Jacqueline Madden

Sent: Wednesday, October 21, 2020 11:33 AM

To: SPPC <sppc@london.ca>; Saunders, Cathy <csaunders@london.ca>

Cc: City of London, Mayor <mayor@london.ca>; van Holst, Michael <mvanholst@london.ca>; Lewis, Shawn <slewis@london.ca>; Salih, Mo Mohamed <msalih@london.ca>; Helmer, Jesse <jhelmer@london.ca>; Cassidy, Maureen <mcassidy@london.ca>; Squire, Phil <psquire@london.ca>; Morgan, Josh <joshmorgan@london.ca>; Lehman, Steve <slehman@london.ca>; Hopkins, Anna <ahopkins@london.ca>; Van Meerbergen, Paul <pvanmeerbergen@london.ca>; Turner, Stephen <sturner@london.ca>; Pelozo, Elizabeth <epeloz@london.ca>; Kayabaga, Arielle <akayabaga@london.ca>; Hillier, Steven <shillier@london.ca>; Jay Menard; Stone, Melanie >

Subject: [EXTERNAL] Request for delegation status

To the Strategic Priorities and Policy Committee Chair, Members, and Council,

This email is to request delegation status for Jacqueline Madden and Michael Dawthorne at the November 17th, 2020 Strategic Priorities and Policy Committee meeting to inform the committee of the difficulty we have had as volunteers and community members when trying to navigate our local government.

My name is Jacqueline Madden and I have been a volunteer on the Accessibility Advisory Committee (ACCAC) for the past 4+ years while Michael Dawthorne has been a member of ACCAC as well as other city committees for more than 10 years. As you know, ACCAC is a committee that is mandated by the Ontarians with Disabilities Act (AODA). The committee is made up of volunteers, the majority of whom must have disabilities or be the parent/guardian of a person with a disability. Both Michael and myself joined this committee as we have lived experience with accessibility issues being parents of adult children with significant physical and mental health conditions. We came to this committee with the shared goal of improving life in the City of London for people with disabilities who represent 15% of our population.

Through the years, we feel we have had a positive impact on our community. We have worked with several mayors, many council members and have formed positive working relationships with many staff members from various departments in the City of London.

However, over the course of the current council, community advisory committees have been under review. ACCAC has been grouped into the general "advisory committee review" even though ACCAC is provincially mandated and is not an optional advisory committee for the City of London. The composition of our committee and our mandate are clearly identified in the AODA and thus, our existence should not be in question but we certainly appreciate any effort to make advisory committees more functional within the city structure. Unfortunately, our effectiveness has been seriously undermined as the effectiveness of advisory committees has been publicly questioned by some current council members. To add to the uncertainty, Covid appeared in March of 2020 and sent us into even further disarray.

At this point, ACCAC has missed 8 consecutive meetings without a word from the City about when we can meet. The City has continued with their regular business as well as making decisions to cope with Covid but has not once considered asking for the advice of ACCAC. Issues of sidewalk cafes, reopening of business, mask-wearing and transportation have all been decided without taking into consideration the feedback that should have been offered by ACCAC. We tried to use the mechanisms given to us to ask to give input but they went unacknowledged and ignored. We undertook the regrettable action of resigning, and then

after waiting for 6 weeks for the City to react, we went to the media with our complaints because we felt we had no other way to address them.

We would like the opportunity to share our experience with SPPC in the hopes that something can be learned from our experience and improvements can be made in the communication and procedures that affect London's ACCAC.

Please add this letter to the public agenda and we also consent to it being a part of the public record.

Sincerely,
Jacqueline Madden and Michael Dawthorne

DEFERRED MATTERS

**CORPORATE SERVICES COMMITTEE
(as of October 26, 2020)**

FILE No.	SUBJECT	REQUEST DATE/ CLAUSE NO.	REQUESTED/ EXPECTED REPLY DATE	PERSON RESPONSIBLE	STATUS
1.2	<p>That on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer and Managing Director, Housing, Social Services and Dearness Home, the following actions be taken with respect to the City of London Housing Service Review:</p> <p>f) the Civic Administration BE DIRECTED to report back to Corporate Services Committee on the feasibility of using the same approach taken for affordable housing to reduce the effective tax rate for London Middlesex Community Housing (LMCH) buildings to be equivalent to the residential tax rate, including any amendments that may be necessary to the Municipal Housing Facilities By-law to do so;</p>	2019/09/17 4.1/18/SPPC	Nov. 30, 2020	A. L. Barbon / K. Dickins	Delayed by Covid emergency and potential impacts for long term tax policy strategy.

Report to Corporate Services Committee

To: Chair and Members
Corporate Services Committee
From: Cathy Saunders, City Clerk
Subject: Proposed Changes to the *Municipal Elections Act, 1996*
Meeting on: November 2, 2020

Recommendation

That, on the recommendation of the City Clerk, the report dated November 2, 2020 entitled “Changes to the *Municipal Elections Act, 1996*” **BE RECEIVED** for information.

Previous Reports Pertinent to this Matter

None.

Background

On October 20, 2020 Ontario Attorney General, the Honourable Doug Downey, introduced Bill 218, *Supporting Ontario's Recovery and Municipal Elections Act, 2020* which proposes substantial changes to the *Municipal Elections Act, 1996* (MEA).

In response to the introduction of Bill 218 as it relates to the MEA, the Municipal Council passed the following resolution at the meeting held on October 27, 2020:

“That the following actions be taken with respect to the Bill 218 *“An Act to enact the Supporting Ontario’s Recovery Act, 2020”*:

- a) the Civic Administration BE DIRECTED to submit the following comments on behalf of the City of London (the “City”) to the Province of Ontario with respect to the proposed changes to the *Municipal Elections Act, 1996*:
 - i) the City does not support the proposed changes to the *Municipal Elections Act, 1996*, specifically related to the removal of the option for a municipality to hold a ranked ballot election;
 - ii) the City does support the principle that each municipality should be able to choose whether or not to use first-past-the-post or a ranked ballot election; and,
 - iii) the City encourages the provincial government to meaningfully consult with municipalities on municipal issues before introducing legislative changes of this magnitude;
- b) the Mayor BE REQUESTED to ask the Premier and the Minister of Municipal Affairs and Housing to exempt the City of London from the proposed changes to the *Municipal Elections Act, 1996* as set out in Bill 218, if the Province proceeds with the legislation as drafted; and,
- c) the Civic Administration BE DIRECTED to report back with an estimate of the costs of being forced by the Province to switch back to a first-past-the-post Municipal Election in 2022.”

This report has been prepared in response to part c) of the above-noted Municipal Council resolution and to provide further commentary on other amendments being proposed to the MEA.

Discussion

If Bill 218, *Supporting Ontario's Recovery and Municipal Elections Act, 2020* receives Royal Assent, it would remove the framework in the MEA providing for ranked ballot elections for municipal council offices and the supporting Ontario Regulation 310/16, Ranked Ballot Elections would be revoked. The City of London will therefore, not be permitted to use Ranked Choice Voting (RCV) for the 2022 Municipal Election.

In addition to these changes, Bill 218 proposes a number of modifications to the elections calendar. On June 9, 2016, Bill 181 *Municipal Elections Modernization Act, 2016* received Royal Assent which made amendments to the MEA to reduce the period for filing nominations which began on January 1st and ended on the second Friday in September, so that it begins on May 1st and ends on the fourth Friday in July. Bill 218 proposes amendments to the MEA that reverts Nomination Day back to the second Friday in September from the fourth Friday in July.

This amendment puts additional pressure on the Elections Office to conduct logic and accuracy testing before Voting Day. The extension of the nomination period means that the timeframe for testing voting and vote counting equipment is reduced significantly, as the Elections Office needs sufficient time to complete the testing in time for Advanced Polls and to process Vote by Mail packages. In 2018, the Elections Office was able to begin logic and accuracy testing in mid-August. The extension of Nomination Day to September means that testing could not begin until mid to late September. This may result in additional financial implications as it relates to staff overtime during the fall of 2022 to meet the reduced timelines.

If passed, Bill 218 also amends the timeline for passing a by-law authorizing the use of voting and vote-counting equipment or an alternative voting method from May 1st the year before an election to May 1st the year of an election. Similarly, changes to the deadline for clerks to establish procedures and forms for voting and vote-counting equipment, including alternative voting methods, is proposed to change from December 31st in the year before the year of the election to June 1st in the year of the election. Leaving these decisions until the Election Year could be problematic for the administration of the election.

RCV Status Quo - Financial Implications

If the Elections Office were able to maintain the status quo of three permitted rankings in the current ranked ballot elections by-law, the increase in costs for 2022, excluding those related to the pandemic, were anticipated to be minimal. Any increase in costs would be attributed to rising supplier costs, a growing City, and anticipated wage increases for poll workers. The associated costs would be accommodated through the existing election budget.

No changes to the Ranked Ballot By-law would be required to maintain the status quo of three permitted rankings.

First-Past-The-Post (FPTP) - Financial Implications

Bill 218 does not include any requirement for the City of London to perform any public consultation prior to returning to a FPTP model, however, the Elections Office would recommend that a public awareness campaign be developed and executed beginning in early 2022 to help mitigate any voter confusion and effectively communicate the change back to FPTP for the 2022 municipal election.

Election advertising, communication, information, training, supplies, materials and guides that were produced for the 2018 RCV election would have to be recreated for a FPTP election. The anticipated resource costs for public awareness campaign, materials and administrative changes related to returning to FPTP is estimated to be about \$51,000.

In addition, the City Clerk's staff will need to prepare new processes and procedures to reflect a FPTP model instead of a Ranked Ballot process.

The estimated cost breakdown is as follows:

Item	FPTP Cost	Comments
Advertising	\$30,000	Currently, the City of London has \$100,000 allocated to the budget for the 2022 communication plan to maintain the status quo. An additional \$30,000 is recommended for a public awareness campaign regarding a return to FPTP.
Printing	\$5,000	New information guides, pamphlets and training materials would need to be produced.
Poll Supplies	\$20,000	Secrecy folders and voting screens will have to be reprinted without the RCV graphic and instructions.
Staff Resources	\$3,000	Overtime to assist with public awareness campaign and communication plan.
Vendor RCV Module	-\$12,000	The City of London's current contract with Dominion Voting Services includes a ranked ballot module at a cost of \$12,000. This cost will be removed if returned to a FPTP model.
Results Display	\$5,000	Dominion Voting Services was not able to provide a RCV results display for the 2018 election. For a FPTP election, Dominion Voting Services is able to provide a results display for \$5,000.

2018 Municipal Election RCV Costs:

For Municipal Council's reference, below is a breakdown of the 2018 Municipal Election RCV costs, originally provided in the March 2019 Staff Report, entitled "2018 Municipal Election":

Election Item	Ranked Balloting Costs	Notes:
Consultation	202,108	This includes expenditures in 2017 for our consultation phase. The total cost in 2018 for ranked ballot outreach and education was \$141,108.
Tabulators	16,900	The cost of an additional 13 vote tabulators attributed to RCV.

Election Item	Ranked Balloting Costs	Notes:
Paper Ballots	12,500	Additional ballots were required to accommodate a more fulsome logic and accuracy testing of RCV ballots and to ensure adequate quantities at the poll.
Vendor Cost	12,000	This is the cost of the ranked ballot licence with Dominion Voting Services.
Auditor	147,752	In the absence of provincial certification of ranked ballot voting equipment, the auditor provided verified processes, procedures and tested the algorithm to provincial regulation.
Staff Resources	82,686	
Poll Workers	41,500	One additional election worker was assigned at each voting location on Voting Day to provide additional efficiencies. Elections Office staff were assigned polls on Advance Vote days for this purpose.
Total	\$515,446	

Ranked Ballot Costs - Corporate Services Committee – March 19, 2019 - Staff Report - 2018 Municipal Election

Conclusion

Bill 218 does not require Municipal Council to pass a by-law to return to a FPTP election model, however, the By-law passed to provide for a Ranked Ballot election will need to be repealed.

PREPARED BY:	RECOMMENDED BY:
JEANNIE RAYCROFT, MANAGER, LICENSING AND ELECTIONS	CATHY SAUNDERS CITY CLERK
SUBMITTED BY:	
SARAH CORMAN, MANAGER, LICENSING AND ELECTIONS	