

## Report to Corporate Services Committee

**To:** Chair and Members  
Corporate Services Committee

**From:** Anna Lisa Barbon, Deputy City Manager, Finance Supports

**Subject:** Capital Asset Growth Reserve Fund Rationalization Report

**Date:** September 11, 2023

## Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, the following actions be taken:

- a) the Capital Asset Growth Reserve Fund Rationalization Report **BE RECEIVED** for information; noting that reserve fund targets established in accordance with the authority provided to the City Treasurer in the Council approved Reserve and Reserve Fund Policy are presented in Appendix B;
- b) the Capital Asset Growth Reserve Funds to be maintained, listed in Appendix B, **BE APPROVED**;
- c) the Capital Asset Growth Reserve Fund by-laws attached as Appendix D **BE INTRODUCED** at the Municipal Council meeting to be held on September 26, 2023;
- d) Civic Administration **BE AUTHORIZED** to take all actions necessary to implement the changes outlined in this report.

## Executive Summary

This report, the fifth in a series of reports rationalizing the City's reserve and reserve fund holdings, addresses the Capital Asset Growth Reserve Fund (CAG) category of reserve funds held by the City. Consistent with the first four reports, Civic Administration is seeking administrative efficiency by reviewing its CAG holdings. In addition to addressing the number of funds held in the CAG category, Civic Administration has established targets for each reserve fund retained per the authority provided to the City Treasurer in the Council approved Reserve and Reserve Fund Policy.

## Linkage to the Corporate Strategic Plan

Council's 2023 to 2027 Strategic Plan for the City of London identifies "Well-Run City" as one of eight strategic areas of focus. Capital Asset Growth (CAG) Reserve Fund Rationalization Report supports this strategic area of focus via the strategic priority "The City of London is trusted, open, and accountable in service of the community" which includes maintaining London's finances in a transparent and well-planned manner to balance equity and affordability over the long term.

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports Related to this Matter

Corporate Services Committee, June 20, 2022, Agenda Item #2.2, Special Projects and New Initiatives Reserve Fund Rationalization Report <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=93234>

Corporate Services Committee, September 8, 2020, Agenda Item #2.1, Capital Asset Renewal and Replacement Reserve Fund Rationalization Report <https://pub->

[london.escribemeetings.com/filestream.ashx?DocumentId=74168](https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=74168)

Corporate Services Committee, September 25, 2018, Agenda Item #2.2, Reserves Rationalization Report <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=50269>

Corporate Services Committee, July 17, 2018, Agenda Item #2.4, Reserve and Reserve Fund Policy Report <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=47669>

## 2.0 Discussion and Considerations

### 2.1 Background

The use of reserves and reserve funds are an important tool that helps the City of London's (the "City") long-term financial planning. This is the *fifth* report submitted regarding rationalization of the City's reserve and reserve fund portfolio in accordance with the Reserve and Reserve Fund Policy (approved by Council in 2018). The initial report, Reserves Rationalization Report, implemented several changes to the City's contingency reserve holdings across all three budgets (Property Tax, Water Rate, and Wastewater and Treatment Rate) including revising names, creating new and terminating old reserves, consolidating funds, and setting target balances. The second report, Capital Asset Renewal and Replacement Reserve Fund Rationalization Report, resulted in similar changes to the City's lifecycle renewal funds and more significantly aligned the fund structure with the Corporate Asset Management Plan. The third report, Special Projects and New Initiatives (SPNI) reserve fund report created administrative efficiencies and aligned the City's holdings with the approved Reserve and Reserve Fund Policy. The fourth report, Contingencies/Stabilization & Risk Management (CSR) focused on creating administrative efficiencies, setting targets, and aligning the City's holdings with the approved Reserve and Reserve Fund Policy.

The purpose of this report is similar, to create administrative efficiencies in the management of the City's Capital Asset Growth (CAG) Reserve Funds, align the City's holdings with the approved Reserve and Reserve Fund Policy, and consolidate the various growth incentive program reserve funds into a more efficient structure. The reserve funds in this category provide funding to new capital initiatives while allowing the City to stabilize the cost of purchasing major capital assets by spreading the cost over multiple years and manage the cost of incentive programs. A list of the current CAG reserve funds and their forecasted 2023 uncommitted balances is available in Appendix A.

To achieve these objectives, Civic Administration is seeking Council approval of the following matters pertaining to the City's CAG reserve fund portfolio:

- a) Approval of the reserve funds to be maintained (Appendix B); noting the target balances for each fund are established by Civic Administration under the authority of the City Treasurer in accordance with the Council approved Reserve and Reserve Fund Policy.
- b) Approval of the required CAG Reserve Fund by-laws (Appendix D) that are required to implement the recommended changes.

These reserve funds support three of the primary objectives of the City's Reserve and Reserve Fund Policy:

#### **ADHERENCE TO STATUTORY REQUIREMENTS**

- i) It shall be the City's practice to establish and maintain segregated reserve funds that meet all statutory obligations.
- ii) Reserves and reserve funds shall be managed in accordance with the *Municipal Act, 2001, as amended*, this includes:
  - Section 10 (2) authorizing single-tier municipalities to pass by-laws respecting accountability, transparency and financial management;

- Section 290 (2) the budget shall set out the estimated revenues and expenditures of reserves and reserve funds contained within a municipality's budget;
  - Section 291 covering multi-year budget requirements of municipalities;
  - Section 417 (3) that money raised for a reserve fund shall be paid into a special account and shall be invested only in securities or classes of securities prescribed;
  - Section 418 (3) as allowed by the Corporation, shall combine money held in any fund (including General, Capital and Reserves and Reserve Funds) for investment purposes; and
  - Section 418 (4) that earnings from combined investments shall be credited to each segregated fund in proportion to the amount invested in it.
- iii) Reserves shall be established by Council resolution which governs the purpose, funding sources, and drawdowns of the fund.
- iv) Reserve funds shall be established by Council by-law which governs the purpose, funding sources, drawdowns, and investment of the fund.

### **PROMOTION OF FINANCIAL STABILITY AND FLEXIBILITY**

- i. It shall be the City's practice to maintain adequate reserves and reserve funds within the following categories to achieve long-term financial stability and flexibility (see definitions for detailed description of categories):
- Obligatory,
  - Capital Asset Renewal and Replacement,
  - **Capital Asset Growth,**
  - Special Projects and New Initiatives, and
  - Contingencies/Stabilization and Risk Management.
- [...]

### **PROVISION FOR MAJOR CAPITAL EXPENDITURES**

It shall be the City's goal to maintain adequate reserves and reserve funds to replace and rehabilitate major capital assets, as required, and to provide for new capital assets that have been identified in the long-term capital plan. To achieve this goal, the following budget practices will be applied where applicable:

- [...]
- Obligatory reserve funds will be maintained for growth, parkland and gas tax related capital projects. The growth-related obligatory reserve funds will be fully funded from developer contributions. Components of the growth-related projects which benefit the existing ratepayers or for which a discount has been given, shall be funded from tax/rate funding sources in the year the project is built. Notwithstanding, debt may be issued for growth projects when required in accordance with the Development Charges Act, 1997, as amended, and other pertinent City policies.

Currently the City maintains eleven (11) CAG reserve funds with forecasted 2023 uncommitted balances totalling approximately \$39.0 million; \$32.6 million (tax), \$4.7 million (water), and \$1.8 million (wastewater and treatment). These reserve funds are an important element of the City's long-term strategic financial plan, providing funding for new capital initiatives incentivized by Council approved programs / policies, and contributing to maintenance of the City's Aaa credit rating. As noted, the current CAG reserve fund holdings are summarized in Appendix A.

## **2.2 CAG Reserve Fund Rationalization**

Similar to the Special Projects and New Initiatives Reserve Fund Rationalization Report in 2022, Civic Administration is recommending that the benefits gained through changes to the structure of the CAG reserve fund portfolio focus on creating administrative efficiencies by reducing the number of funds held, setting targets, and aligning the City's

holdings with the approved Reserve and Reserve Fund Policy. This report recommends consolidating the many separate DC incentive program reserve funds currently held into a single fund, noting that tracking the financial commitments of each incentive program can still be maintained within a single reserve fund. This will improve administration, simplify management and reporting, and improve the Corporation's financial flexibility.

The structure recommended in this report maintains seven (7) CAG reserve funds with some significant changes required to reach the optimum end state. Appendix B presents the recommended CAG reserve fund portfolio, including the purpose of each reserve fund, and the May 31, 2023, forecasted uncommitted balance for each fund after implementing the changes.

Civic Administration monitors similar reserve funds of other municipalities and relies on information circulated by agencies such as the Municipal Finance Officers Association of Ontario (MFOA), Association of Municipalities Ontario (AMO) and Government Finance Officers Association (GFOA) to help develop best practices and inform the recommendations contained in the rationalization reports. Finance staff also engage in internal reviews with impacted parties to assess the current need for funds and inform the target setting exercise.

The recommendations to rationalize the City's CAG reserve fund portfolio align with the Corporation's strategic long-term financial plan and the Reserve and Reserve Fund Policy as they uphold the following principles:

- Reserves and reserve funds shall form an integral component of the City's budget and strategic financial plan;
- Adequate reserve and reserve fund balances shall be maintained to provide stability to tax/rate payers (liquidity);
- Reserve and reserve fund financial plans shall maintain intergenerational equity to the greatest extent possible;
- Reserve and reserve fund balances shall be maintained at a level that supports the City's maintenance of its Aaa credit rating; and
- The use of obligatory reserve funds shall be solely for the purpose prescribed for them by statute or agreement.

### **3.0 Financial Impact/Considerations**

#### **3.1 CAG Reserve Fund Minimum Target Setting**

The Reserve and Reserve Fund Policy delegates the authority of setting reserve and reserve fund targets to the City Treasurer or designate, with the requirement that targets must be reported to Council periodically.

Due to the nature of these reserve funds, providing funding for new capital initiatives incentivized by Council approved programs / policies, the target setting exercise focused on recent history and existing needs of each fund on a case-by-case basis, i.e. how much money should be saved based on historic trends. The target balances that were determined for each fund are summarized in Appendix B. Any financial impacts to the DC incentive programs that result from the current review will be brought forward during the 2024 to 2027 Multi-Year Budget; similarly any other future program changes would be incorporated in future multi-year budget processes.

All reserve fund contributions and balances are subject to annual budget approval, it being noted that there are no adjustments to overall budgeted reserve fund contributions resulting from this report.

## **Conclusion**

The City's CAG reserve funds are an important element of the City's long-term strategic financial plan and financial stability. Civic Administration advises approval of the recommendations of this report to enhance the strength of the City's CAG reserve funds, align the CAG reserve funds portfolio with the Reserve and Reserve Fund Policy, and provide administrative efficiencies for Civic Administration in the management of the portfolio.

**Prepared by:** Ken Clarke, CPA, MBA, Manager II, Accounting and Reporting, Financial Planning and Policy

**Reviewed by:** Jason Davies, CPA, CMA, Manager III, Financial Planning and Policy

**Submitted by:** Kyle Murray, CPA, CA, Director, Financial Planning and Business Support

**Recommended by:** Anna Lisa Barbon, CPA, CGA, Deputy City Manager, Finance Supports

**Cc:** Ian Collins – Director, Financial Services  
Alan Dunbar – Manager III, Financial Planning and Policy

**APPENDIX A - Current Capital Asset Growth Reserve Funds -  
Forecasted 2023 Uncommitted Ending Balances as of May 31, 2023**

<b>Tax Supported Capital Asset Growth Reserve Fund</b>	<b>2023 Forecasted Ending Balance</b>
Commercial Development Charge (DC) Incentive Program	\$252,746
Industrial DC Incentive Program	2,282,499
Industrial Land	14,893,908
Industrial Oversizing General	1,614,301
Institutional DC Incentive Program	7,680,616
Non-Growth Works Arising from Development Agreements	805,118
Residential DC Incentive Program	5,026,908

<b>Wastewater and Treatment Rate Supported Capital Asset Growth Reserve Fund</b>	<b>2023 Forecasted Ending Balance</b>
Industrial DC Incentive Program Wastewater	\$26,927
Industrial Oversizing Sewer	1,768,685

<b>Water Rate Supported Capital Asset Growth Reserve Fund</b>	<b>2023 Forecasted Ending Balance</b>
Industrial DC Incentive Program Water	\$4,676,317
Industrial Oversizing Water	\$0

<b>Total Capital Asset Growth Reserve Funds</b>	<b>2023 Forecasted Ending Balance</b>
Tax Supported Reserve Funds	\$32,556,096
Wastewater and Treatment Rate Supported Reserve Funds	1,795,612
Water Rate Supported Reserve Funds	4,676,317
<b>Total Capital Asset Growth Reserve Funds</b>	<b>\$39,028,025</b>

**APPENDIX B - Capital Asset Growth Reserve Funds to be Maintained and Managed - Purpose and Targets**

Reserve Fund	Purpose (From By-laws)	2023 Forecasted Uncommitted Balance (As of May 31, 2023)	Minimum Target Balance		
			Explanation	Target Value	Over / Under
DC Incentive Program – Property Tax Supported (NEW)	The monies standing in the Fund shall be used by The Corporation of the City of London (the ‘Corporation”) to fund the Obligatory City Services Reserve Fund(s) with amounts equal to the development charges incented so that required infrastructure projects, when started later, can be funded through the City Services Reserve Fund.	\$16,047,887 <sup>1</sup>	Target balance range of a minimum of 1 year and maximum of 3 years of average annual incentives paid for residential, commercial, industrial and institutional tax supported DC incentive programs (over the immediately preceding 3-year period). Updated every four years with the Multi-Year Budget.	\$6,103,506 to \$18,310,518	-\$2,262,631

1. Sum of the consolidated DC Incentive Program - General Reserve Fund (Commercial DC Incentive RF \$252,746 + Industrial DC Incentive RF \$2,282,499+ Institutional DC Incentive RF \$7,680,616 + Residential DC Incentive RF \$5,026,908 + Non-Growth Works arising from Development Agreements \$805,118 = \$16,047,887)

Reserve Fund	Purpose (From By-laws)	2023 Forecasted Uncommitted Balance (As of May 31, 2023)	Minimum Target Balance		
			Explanation	Target Value	Over / Under
Industrial Land	The monies standing in the Fund shall be used by The Corporation of the City of London to provide for the purpose of acquisition and servicing industrial land including funding industrial land debt charges.	\$14,893,908	Non-tax supported funding – received via industrial land sales. Plus, tax-supported funding required to ensure adequate funding per regular consultation with Realty Services.	Balance not to be reduced below \$0	N/A
Industrial Oversizing - General	<p>The monies standing in the Funds shall be expended, pledged or applied only for the purpose of:</p> <p>(a) the payment of authorized claims for oversizing of services for industrial developments, in accordance with the adopted policies of the Municipal Council; and</p> <p>(b) the construction and major repairs of sewer, water and other municipal works servicing industrial developments, or for the purpose of financing any part thereof.</p> <p><b>Note:</b> This reserve fund is a candidate for future termination once the existing debt obligations of the fund are repaid in 2024. Any remaining balance would be transferred to the Industrial Land Reserve Fund.</p>	\$1,614,301	The target balance has been established at the amount required to address existing debt repayments.	Amount of remaining debt obligations (currently \$2,200,000)	-\$635,699



Reserve Fund	Purpose (From By-laws)	2023 Forecasted Uncommitted Balance (As of May 31, 2023)	Minimum Target Balance		
			Explanation	Target Value	Over / Under
Industrial Oversizing - Sewer	<p>The monies standing in the Funds shall be expended, pledged or applied only for the purpose of:</p> <p>(a) the payment of authorized claims for oversizing of services for industrial developments, in accordance with the adopted policies of the Municipal Council; and</p> <p>(b) the construction and major repairs of sewer, water and other municipal works servicing industrial developments, or for the purpose of financing any part thereof.</p> <p><b>Note:</b> This reserve fund is a candidate for future termination once the existing debt obligations from the general fund are repaid in 2024. Any remaining balance would be transferred to the Sewage Works Renewal Reserve Fund.</p>	\$1,768,685	This reserve fund will be terminated once timing is appropriate; the balance should not be reduced below zero.	Balance not to be reduced below \$0	N/A

Reserve Fund	Purpose (From By-laws)	2023 Forecasted Uncommitted Balance (As of May 31, 2023)	Minimum Target Balance		
			Explanation	Target Value	Over / Under
Industrial Oversizing - Water	<p>The monies standing in the Funds shall be expended, pledged or applied only for the purpose of:</p> <p>(a) the payment of authorized claims for oversizing of services for industrial developments, in accordance with the adopted policies of the Municipal Council; and</p> <p>(b) the construction and major repairs of sewer, water and other municipal works servicing industrial developments, or for the purpose of financing any part thereof.</p> <p><b>Note:</b> This reserve fund is a candidate for future termination once the existing debt obligations from the general fund are repaid in 2024. There is no balance or commitments remaining in this RF.</p>	\$0	This reserve fund will be terminated once timing is appropriate; the balance should not be reduced below zero.	Balance not to be reduced below \$0	N/A
Industrial DC Incentive Program Wastewater	The monies standing in the Fund shall be used by The Corporation of the City of London (the 'Corporation") to fund the City Services Reserve Fund with amounts equal to the development charges incented so that these development projects, when started later, can be funded through the City Services Reserve Fund.	\$26,927	Target balance range of a minimum of 1 year and maximum of 3 years of average annual incentives paid (over the immediately preceding 3-year period). Updated every four years with the Multi-Year Budget.	\$3,504,290 to \$10,512,871	-\$3,477,363

Reserve Fund	Purpose (From By-laws)	2023 Forecasted Uncommitted Balance (As of May 31, 2023)	Minimum Target Balance		
			Explanation	Target Value	Over / Under
Industrial DC Incentive Program Water	The monies standing in the Fund shall be used by The Corporation of the City of London (the ‘Corporation”) to fund the City Services Reserve Fund with amounts equal to the development charges incented so that these development projects, when started later, can be funded through the City Services Reserve Fund.	\$4,676,317	Target balance range of a minimum of 1 year and maximum of 3 years of average annual incentives paid (over the immediately preceding 3-year period). Updated every four years with the Multi-Year Budget.	\$592,342 to \$1,777,026	\$2,899,291

**Note:** For all reserve funds, even those without an upper limit established via this report, the balance in each fund will continue to be regularly reviewed ensuring that the financial resources contained within each fund are being utilized for their intended purpose. Upon the results of these reviews, adjustments to the target balances may be considered in the future.

## APPENDIX C - Actions to be taken with Respect to Existing Capital Asset Growth Reserve Fund By-laws

Table 1 - By-laws to be Repealed and Reserve Funds Terminated

Reserve Fund	By-Law	Rationale	Funding Notes
Commercial DC Incentive Program	A.-7191-347	The requirements of the commercial development charges (DC) incentive program can be accommodated and funded from the consolidated DC Incentive - General Reserve Fund. This creates administrative efficiencies by managing fewer reserve funds and improves financial flexibility of the incentive portfolio to absorb the ebbs and flows of the various incentive programs.	Balance and commitments to be transferred to the DC Incentive - General Reserve Fund.
Institutional DC Incentive Program	A.-7190-346	The requirements of the institutional DC incentive program can be accommodated and funded from the consolidated DC Incentive - General Reserve Fund. The Provincial Government has made many of the services this program used to fund fully exempt, thus use of this fund has been limited in recent years. This creates administrative efficiencies by managing fewer reserve funds and improves financial flexibility of the incentive portfolio to absorb the ebbs and flows of the various incentive programs.	Balance and commitments to be transferred to the DC Incentive - General Reserve Fund.
Non-Growth Works Arising from Development Agreements	A.-7193-349	This reserve fund does not currently receive a tax supported contribution and has no future commitments. The need for this fund is limited and any non growth works that arise can be accommodated using other reserve funds held by the city.	Balance to be transferred to the DC Incentive - General Reserve Fund.
Residential DC Incentive Program	A.-7192-348	The requirements of the residential DC incentive program can be accommodated and funded from the consolidated DC Incentive - General Reserve Fund. This creates administrative efficiencies by managing fewer reserve funds and improves financial flexibility of the incentive portfolio to absorb the ebbs and flows of the various incentive programs.	Balance and commitments to be transferred to the DC Incentive - General Reserve Fund.

**Table 2 - By-law to be Repealed and Replaced with Updated By-law**

<b>Reserve Fund</b>	<b>By-Law</b>	<b>Rationale</b>
Industrial DC Incentive Program Tax-Supported	A.-7187-343	This reserve fund will become the DC Incentive - General Reserve Fund. Balances and commitments will be transferred from the commercial, institutional, and residential DC incentive reserve funds that are being terminated.

**Table 3 – Reserve Fund By-laws with No Changes**

<b>Reserve Fund</b>	<b>By-Law</b>	<b>Rationale</b>
Industrial Land	A.-5992-507	No material changes are required to these by-laws. Updates to the Municipal Act references are not specifically required at this time. These reserve fund by-laws may receive further attention during Civic Administration’s regular reviews. Necessary changes will be brought forward as part of future reserve fund housekeeping reports when applicable.
Industrial Oversizing – General, Wastewater, Water	A.-5840-172	
Industrial DC Incentive Program Wastewater	A.-7189-345	
Industrial DC Incentive Program Water	A.-5840-172	

## APPENDIX D - Capital Asset Growth Reserve Fund By-Laws

Bill No. \_\_\_\_\_  
2023

By-law No. A.-\_\_\_\_\_

A by-law to establish the DC Incentive Program - Property Tax Supported Reserve Fund and to repeal By-law No. A.-7187-343 being "A by-law to establish the Industrial DC Incentive Program Tax-supported Reserve Fund".

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, S.O. 2001, C.25, as amended, provides a municipality with the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority;

AND WHEREAS subsection 10(2) of the *Municipal Act, 2001*, as amended, provides that a municipality may pass by-laws respecting the financial management of the municipality (paragraph 3) and services or things that the municipality is authorized to provide under subsection 10(1) (paragraph 7);

AND WHEREAS section 417 of the *Municipal Act, 2001*, as amended, provides that a municipality may establish a reserve fund for any purpose for which it has authority to spend money;

AND WHEREAS it is desirable to establish a reserve fund to provide a source of funding for the City Services Reserve Fund for development charge incentives;

AND WHEREAS the Municipal Council considers the incentives for development charges necessary and desirable for economic development;

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

1. A reserve fund is hereby established to be known as the DC Incentive Program – General Reserve Fund (hereinafter called the "Fund").
2. The monies standing in the Fund shall be used by The Corporation of the City of London (the "Corporation") to fund the Obligatory City Services Reserve Fund(s) with amounts equal to development charges incented so that these required infrastructure projects, when started at a later date, can be funded through the City Services Reserve Fund.
3. Contributions to the Fund shall be deposited by the City Treasurer or designate and consist of:
  - i. Municipal Council approved tax supported multi-year budget contributions;
  - ii. Municipal Council approved annual surplus contributions, if any;
  - iii. Other non-tax supported contributions as approved by The City Treasurer, and/or, Municipal Council.
4. Aligned with the authority provided for in the Council approved Reserve and Reserve Fund Policy, before any monies are transferred to the Obligatory City Services Reserve Fund(s) from the Fund for the purposes outlined in section 2 of this by-law, the approval of the City Treasurer, or designate shall be given.
5. The City Treasurer or designate may deposit the monies standing in the Fund into a special bank account or into a consolidated bank account into which are deposited the monies raised for other funds, and the earnings derived from the monies so deposited shall accrue to and form part of the Fund.
6. The City Treasurer, or designate, may invest the monies standing in the Fund in

such securities as are permitted under subsection 418(1), of the *Municipal Act*, 2001, S.O. 2001, C.25, as amended, and in so doing, may consolidate the monies standing in the Fund with other funds that the City may hold from time to time provided that any earnings derived from the monies standing in the Fund shall be accrued to and form part of the Fund as permitted under sections 418(3) and 418(4) of the *Municipal Act*, 2001, S.O. 2001, C.25, as amended.

7. Notwithstanding that provision may not be made by the Municipal Council in the budget estimates of the current or any subsequent year for contributions or drawdowns to the Fund, it shall continue and be maintained, and the Municipal Council shall always be taken as considering the Fund as necessary so long as this by-law continues in force.

8. By-law No. A.-7187-343 being “A by-law to establish the Industrial DC Incentive Program Tax-supported Reserve Fund”, passed by Municipal Council on October 14, 2014, is hereby repealed.

9. This by-law comes into force on the day it is passed subject to the provisions of PART VI.1 of the *Municipal Act*, 2001.

PASSED in Open Council on September 26, 2023, subject to the provisions of PART VI.1 of the *Municipal Act*, 2001.

Josh Morgan  
Mayor

Michael Schulthess  
City Clerk

First Reading – September 26, 2023  
Second Reading - September 26, 2023  
Third Reading - September 26, 2023

Bill No. \_\_\_\_\_  
2023

By-law No. A.-\_\_\_\_\_

A by-law to repeal By-law No. A.-7191-347, being “A by-law to establish the Commercial DC Incentive Program Reserve Fund”; By-law No. A.-7190-346 being “A by-law to establish the Institutional DC Incentive Reserve Fund”; By-law No. A.-7193-349 being “A by-law to establish the Non-Growth Works Arising from Development Agreements Reserve Fund”; and By-law No. A.-7192-348, being “A by-law to establish the Residential DC Incentive Program Reserve Fund”.

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

AND WHEREAS section 9 of the Municipal Act, 2001, S.O. 2001, C.25, as amended, provides a municipality with the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority;

AND WHEREAS subsection 10(2) of the Municipal Act, 2001, S.O. 2001, C.25, as amended, provides that a municipality may pass by-laws respecting the financial management of the municipality (paragraph 3) and services or things that the municipality is authorized to provide under subsection 10(1) (paragraph 7);

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

1. By-law No. A.-7191-347, being “A by-law to establish the Commercial DC Incentive Program Reserve Fund” is hereby repealed.
2. By-law No. A.-7190-346, being “A by-law to establish the Institutional DC Incentive Reserve Fund” is hereby repealed.
3. By-law No. A.-7193-349 being “A by-law to establish the Non-Growth Works Arising from Development Agreements Reserve Fund”; is hereby repealed.
4. By-law No. A.-7192-348 being “A by-law to provide for the Residential DC Incentive Program Reserve Fund” is hereby repealed.
5. This by-law comes into force on the day it is passed subject to the provisions of PART VI.1 of the *Municipal Act*, 2001.

PASSED in Open Council on September 26, 2023, subject to the provisions of PART VI.1 of the *Municipal Act*, 2001.

Josh Morgan  
Mayor

Michael Schulthess  
City Clerk

First Reading - September 26, 2023  
Second Reading - September 26, 2023  
Third Reading - September 26, 2023