

Bill No. 223
2012

By-law No. A.-6825-162

A By-law to establish a municipal service board for the purpose of operating and managing Eldon House.

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 10(2) of the *Municipal Act, 2001* provides that a municipality may pass by-laws respecting: in paragraph 1, Governance structure of the municipality and its local boards; paragraph 2, Accountability and transparency of the municipality and its operations and of its local boards and their operations; paragraph 3, Financial Management of the municipality and its local boards; in paragraph 7, Services and things that the municipality is authorized to provide under subsection (1);

AND WHEREAS subsection 196(1) of the *Municipal Act, 2001*, provides that without limiting sections 9 and 10 those sections authorize a municipality to establish a municipal service board and to provide for the following matters:

1. The name, composition, quorum and budgetary process of the board;
2. The eligibility of persons to hold office as board members;
3. The manner of selecting board members, the resignation of members, the determination of when a member's seat becomes vacant and the filling of vacancies;
4. The term of office and remuneration of board members;
5. The number of votes of the board members;
6. The requirement that the board follow rules, procedures and policies established by the municipality; and
7. The relationship between the municipality and the board, including their financial and reporting relationship.

AND WHEREAS sections 23.1 and 23.2 of the *Municipal Act, 2001* authorize a municipality to delegate administrative and legislative powers to a body having at least two members of whom at least 50 percent are individuals appointed by its council;

AND WHEREAS by an agreement made August 23, 1960, between George G.R. Harris, Ronald S. Harris and Lucy R. Little (the "Harris Family") and City, the Harris Family transferred to the City the lands, premises and furnishings of the residence known as Eldon House (the "Harris Agreement");

AND WHEREAS pursuant to the Harris Agreement, the City agreed to maintain in perpetuity as an historic site the lands, premises and furnishings of Eldon House;

AND WHEREAS pursuant to By-law L.S.P.2329-578 passed November 21, 1977, Eldon House was designated under the *Ontario Heritage Act* as being of historical and architectural value;

AND WHEREAS by an agreement dated March 21, 1985 between the City and The Ontario Heritage Foundation the City agreed to preserve the heritage elements of Eldon House (the "Heritage Easement Agreement");

AND WHEREAS by an agreement dated June, 2005 between the Estate of Amelia Lucy Ronald Little, the Estate of George G.R. Harris and the Estate of Ronald Sutton Harris, Museum London and the City, certain objects and works of art which were previously covered under a loan agreement between the City and the Harris Family were conveyed by way of gift without reservation to the City;

AND WHEREAS The Council of the City of London considers it necessary and desirable to establish a municipal service board for the purpose of operating and managing Eldon House;

AND WHEREAS it is deemed expedient to pass this by-law;

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

1.0 Definitions

1.1 For the purpose of this by-law,

“**board**” means the board of directors of the corporation;

“**City**” means The Corporation of the City of London;

“**City Treasurer**” means the Treasurer of the City or a person delegated by him for the purposes of this by-law;

“**corporation**” means the Eldon House Corporation;

“**Council**” means the Council of the City;

2.0 Municipal Service Board Established

2.1 A municipal service board is established under the name Eldon House Corporation.

2.2 The corporation is a body corporate.

2.3 The corporation is an agent of the City.

2.4 The corporation is a local board of the City for all purposes.

2.5 The objects of the corporation are:

- (a) to operate Eldon House as a municipal museum;
- (b) to preserve, maintain and manage Eldon House as an historic site as the oldest surviving residence in the City of London and an example of a furnished residence intended to portray its period and standing in the community; and
- (c) to provide current and future enjoyment and education for residents and visitors to the City of London.

2.6 The corporation is not authorized to:

- (a) acquire or hold an interest in real property; or
- (b) to incur obligations or spend money except in accordance with section 6.

2.7 The head office for the corporation shall be located in the City of London.

3.0 Board Composition

3.1 The corporation shall consist of a board of directors composed of five (5) directors appointed by Council each of whom shall be a person qualified to be elected as a member of Council and a resident of the City of London:

- (a) one (1) of whom shall have a background in and experience with finance;
- (b) one (1) of whom shall be have a background in and experience with law; and
- (c) three (3) of whom shall have a distinct interest and/or knowledge of history and heritage.

3.2 Directors shall serve for a term not to exceed the expiry of the term of office of the Council that appointed them or until their successors are appointed.

3.3 The seat of an appointed director becomes vacant if the director is absent from the meeting of the board for three successive meetings without being authorized to do so by a resolution of Council.

- 3.4 If the seat of a director becomes vacant for any reason at any time, the Council may fill the vacancy for the balance of the director's term.
- 3.5 A director may be reappointed to the board.
- 3.6 Council may by a resolution passed by a majority of its members remove a director at any time.
- 3.7 Directors shall serve without remuneration.

4.0 Board Procedures

- 4.1 Council may pass by-laws governing the board and the affairs of the corporation and the board shall comply with such by-laws.
- 4.2 By-laws passed by the board must not conflict with City by-laws passed under section 4.1.
- 4.3 The board shall pass by-laws governing its proceedings, the calling and conduct of meetings and the keeping of its minutes, records and decisions consistent with any requirements set out in a by-law of the City.
- 4.4 A majority of the directors constitutes a quorum at any meeting of the board.
- 4.5 Despite any vacancy among the directors, a quorum of directors may exercise the powers of all of the directors.
- 4.6 A director has only one vote.
- 4.7 The meetings of the board and the corporation shall be open to the public and only those persons that the board considers to have engaged in improper conduct at a meeting may be excluded from the meeting.
- 4.8 The board may close a meeting, or a part of the meeting to the public only in accordance with section 239 of the *Municipal Act, 2001*.
- 4.9 (1) The board shall hold at least six (6) meetings each year and the interval between one meeting and the next shall not exceed sixty (60) days.
- (2) A majority of members of the board may requisition a special meeting of the board by serving a copy of the requisition on the chair or vice-chair of the board.
- (3) The chair of the board may call a special meeting of the board at any time whether or not he or she has received a requisition under subsection (2).
- 4.10 (1) The board shall elect from its directors a chair and vice-chair.
- (2) The chair and vice-chair are eligible for re-election.
- 4.11 (1) The board shall appoint a secretary of the corporation who shall:
- (a) give notice of the meetings of the board;
 - (b) keep all minutes of meetings and proceedings of the board;
 - (c) record without note or comment all resolutions, decisions and other proceedings at a meeting of the board whether it is closed to the public or not; and
 - (d) perform such duties, in addition to those set out in clauses (a), (b) and (c) as the board may from time to time direct.
- 4.12 (1) The board may appoint such committees as it determines necessary to conduct the business of the board.
- (2) Each committee appointed shall be composed of not fewer than three (3) members of the board and shall perform such duties and undertake such responsibilities as the board specifies and shall report to the board.
- (3) Any member of the board may be the chair or vice-chair of a committee.
- 4.13 The *Municipal Conflict of Interest Act* applies to the directors and Members.
- 4.14 Council may designate an appointed official of the City who shall have the right to attend meetings of the board and its committees and to participate in their deliberations but is not entitled to vote, be the chair or vice-chair or act as the presiding officer at a meeting.

5.0 Personnel

5.1 (1) The corporation may:

- (a) appoint hire or otherwise engage officers, employees, agents or others;
- (b) determine the qualifications, responsibilities, duties and positions and terms and conditions of employment or service of persons appointed, hired or otherwise engaged by the corporation;
- (c) establish classifications for persons appointed, hired or otherwise engaged by the corporation, and reclassify, transfer or promote such person;
- (d) determine the remuneration, salaries and benefits of, and any payments to, officers, servants, agents or others; and
- (e) suspend, discharge or otherwise terminate employment or services.

(2) The remuneration, salaries and benefits determined under clause (1)(d) shall not exceed the maximum remuneration, salaries and benefits established from time to time by Council for the senior heads of its departments.

6.0 Financial

6.1 (1) The corporation shall prepare and submit to Council annually a budget of its estimated revenues and expenditures by the date and in such form and detail as required by the City Treasurer.

(2) Council may approve the budget in whole or in part and may make such changes to it as Council considers appropriate.

(3) The corporation shall not incur obligations or spend money, other than for its normal operating expenses;

- (a) until the budget for the fiscal year has been approved by Council;
- (b) if the budget has not been approved, unless Council approves the obligation or expenditure.

(4) The corporation shall not;

- (a) incur obligations and spend money except in accordance with its approved budget;
- (b) deviate from the budget except with the approval of Council;
- (c) incur any indebtedness extending beyond the current year without the prior approval of Council; or
- (d) borrow money.

6.2 The fiscal year of the corporation is the same as the fiscal year of the City.

6.3 The accounts and transactions of the corporation shall be audited annually by the auditor of the City.

6.4 The corporation shall prepare and submit to Council, not later than March 31st each year an annual report for the preceding year which shall include the audited financial statements.

6.5 The corporation shall provide the City Treasurer with such financial information as the City Treasurer may require.

6.6 (1) The corporation shall keep proper books of account and accounting records with respect to all financial and other transactions of the corporation, including, and without limiting the generality of the foregoing;

- (a) records of all sums of money received from any source whatsoever and disbursed in any manners whatsoever; and
- (b) records of all matters with respect to which receipts and disbursement take place in consequence of the maintenance, operation and management of the corporation.

(2) The corporation shall keep or cause to be kept and maintained all such books of accounts and accounting records as the City Treasurer may require.

6.7 The corporation shall make all of its books and records available at all times to such persons as the City Treasurer may require and shall provide certified true copies of such minutes, documents, books, records or any other writing as the City Treasurer may require.

- 6.8 (1) The corporation shall, in accordance with good business practice, keep and maintain an accurate inventory of its personal property and provide Council with an inventory thereof as Council may require.
- (2) The inventory shall include separate inventories of the artifacts for Eldon House.
- 6.9 (1) Council may require the corporation,
- (a) to provide information, records, accounts, agendas, notices or any paper or writing; and
 - (b) to make a report on any matter, as Council determines, relating to the carrying out of the purposes and objects of the corporation.
- (2) The corporation shall,
- (a) file with the City Treasurer all such information records, accounts, agendas, notices, paper and all other materials as Council may require; and
 - (b) make such reports within the time specified by the City Treasurer and containing such content as the City Treasurer may require.
- 6.10 (1) The corporation shall from time to time provide the City Treasurer as requested with statements of:
- (a) revenues and expenditures;
 - (b) profit and loss; and
 - (c) such financial matters or operating expenditures as the City Treasurer may require.
- (2) The statements referred to in subsection (1) shall be in such form as the City may require.
- 6.11 (1) The City is entitled to receive any profits resulting from the operations of the corporation and is responsible for any losses incurred by the corporation.
- (2) Council may determine what constitutes profits for the purpose of subsection (1).
- 6.12 Upon the dissolution of the corporation, any property after its debts have been paid becomes the property of the City.

7.0 Indemnification & Insurance

- 7.1 (1) Subject to subsection (2), every director or officer of the corporation and his or her heirs, executors, administrators and other legal personal representatives may from time to time be indemnified and saved harmless by the corporation from and against,
- (a) any liability and all costs, charges and expenses that he or she sustains or incurs in respect of any action, suit or proceeding that is proposed or commenced against him or her for or in respect of anything done or permitted by him or her in respect of the execution of the duties of his or her office; and
 - (b) all other costs, charged and expenses that he or she sustains or incurs in respect to the affairs of the Corporation.
- (2) No director or officer of the corporation shall be indemnified by the corporation in respect of any liability, costs, charges or expenses that he or she sustains or incurs in or about any action, suit or other proceeding as a result of which he or she is adjudged to be in breach of any duty or responsibility imposed upon him or her under any Act unless, in an action brought against him or her in his or her capacity as director or officers, he or she has achieved complete or substantial success as a defendant.
- (3) The corporation may purchase and maintain insurance for the benefit of a director or officer thereof, except insurance against a liability, cost, charge or expense of the director or officer incurred as a result of his or her failure to exercise the powers and discharge the duties of his or her office honestly, in good faith and in the best interests of the corporation, exercising in connection therewith the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances.
- 7.2 The corporation shall obtain and maintain at all times insurance coverage in a form acceptable to the City of the types and amounts appropriate for a corporation of its size and business type which coverage shall include the City with respect to any loss, claims or demands made against the corporation.

8.0 Operation and Management of Eldon House

- 8.1 The maintenance and management of the land, buildings and structures located on the west side of Ridout Street in the City of London and known as Eldon House owned by the City is entrusted to the corporation until such time as the City may by by-law assume such maintenance and management.
- 8.2 The corporation shall operate and maintain Eldon House as an historic site, as an example of and furnished to portray a residence of its period and standing in the community.
- 8.3 The corporation shall at all times operate and maintain Eldon House in accordance with terms and conditions of the following agreements:
 - (a) the Harris Agreement;
 - (b) the Heritage Easement Agreement; and
 - (c) the Artifacts Gift Agreement.
- 8.4 Subject to the agreements set out in section 8.3 the corporation shall, operate and maintain Eldon House such that it meets, at a minimum, the Province's Ministry of Culture Community Museums Operating Grant Program (Standards For Community Museums In Ontario), including but not limited to, Governance, Finance, Collections, Exhibition, Interpretation and Education, Research, Conservation, Physical Plant, Community, and Human Resources Standards.
- 8.5 The corporation shall establish and implement, in consultation with the City, such plans that are necessary for the operation and maintenance of Eldon House which shall include without limitation to the following:
 - (a) an emergency management plan including a strategy to preserve and protect the residence from hazards including but not limited to fire, water, humidity and infestations of insects or vermin;
 - (b) a security plan to ensure precautions against loss or damage caused by crime, vandalism, malicious mischief or similar incidents;
 - (c) an artifacts inventory which includes, but is not limited to donor name, acquisition date, description of the item, photographs, conservation efforts expended, and storage requirements and methods utilized;
 - (d) a lawn and garden plan appropriate to the age and style of Eldon House including annual landscape plans, record of planting and removal of perennial plants and
 - (e) a curatorial collection management, building management and house management services plan appropriate for a heritage museum of the size and type of Eldon House.
- 8.6 The corporation shall at all times abide by the City of London Special Events Policies and Procedures Manual (which includes filming), and such other policies governing the use of City property as shall be reasonably applicable.
- 8.7 The corporation shall be responsible for all operating and maintenance costs and capital renovations and repairs for Eldon House, save and except those costs for capital renovations and repairs as set out in section 8.8. Operating and maintenance costs for Eldon House will be identified as a program within the corporation's budget.
- 8.8 The City shall be responsible for all capital renovations and repairs to Eldon House in excess of three thousand (\$3,000.00) dollars.
- 8.9 The corporation shall allow the City access to Eldon House at any time to inspect the state of maintenance and repairs of Eldon House.
- 8.10 The City and the corporation shall jointly conduct quarterly inspections and audits of Eldon House. Prior to January 1, 2013, the City and the corporation shall conduct an inspection and audit which shall establish the standard for all future audits and inspections. Such standards shall not be less than the City's standard for inspection and audit of its facilities.

9.0 General

- 9.1 Council may by by-law dissolve the corporation and any property of the corporation remaining after its debts have been paid vests in the City.
- 9.2 This by-law may be referred to as the “Eldon House By-law”.
- 9.3 Save and except for section 8, this by-law shall come into force and effect on the day it is passed. Section 8 of this by-law shall come into force and effect on January 1, 2013.

PASSED in Open Council on May 22, 2012.

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First Reading – May 22, 2012
Second Reading – May 22, 2012
Third Reading – May 22, 2012