

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON MAY 29, 2018
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	2018 RESERVE FUND HOUSEKEEPING REPORT

RECOMMENDATION

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

- a) the attached proposed by-law (Appendix B) BE INTRODUCED at the Municipal Council meeting to be held on June 12, 2018 to repeal and replace By-law A.-6514-123 (Appendix A), entitled “A by-law to establish the Economic Development Reserve Fund”.
- b) the attached proposed by-law (Appendix D) BE INTRODUCED at the Municipal Council meeting to be held on June 12, 2018 to repeal and replace By-law A-5077-149 (Appendix C), entitled “A by-law to establish a reserve fund for a Convention Facility”.
- c) the attached proposed by-law (Appendix F) BE INTRODUCED at the Municipal Council meeting to be held on June 12, 2018 to repeal and replace By-law A.-7518-78 (Appendix E), entitled “A by-law to establish the Land Acquisition Reserve Fund”.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Corporate Services Committee, February 21, 2017, Agenda Item #4, Reserve Fund Housekeeping - Land Acquisition Reserve Fund

LINK TO 2015-2019 STRATEGIC PLAN

Council’s 2015-2019 Strategic Plan for the City of London identifies “Leading in Public Service” as one of four strategic areas of focus. The 2018 Reserve Fund Housekeeping Report supports this strategic area of focus by contributing towards the strategic priority “Proactive financial management”. The “Proactive financial management” strategic priority involves, among other things, making sure that the City’s finances are well planned and that they support intergenerational equity. The process of periodically reviewing reserve funds and associated by-laws supports the above objectives by demonstrating that Council and Civic Administration are continuously monitoring the accuracy and adequacy of the reserve funds managed by the City and making adjustments when necessary.

BACKGROUND

The purpose of this report is to repeal the current by-laws in place for the Economic Development Reserve Fund, Convention Facility Reserve Fund and Land Acquisition Reserve Fund (Appendix A, C and E) and replace them with amended by-laws (Appendix B, D and F).

These proposed by-law changes are the start of a greater effort that is underway to find administrative efficiency and bring consistency to the City’s reserve and reserve fund portfolio. This will be more evident with the introduction of a Reserve and Reserve Fund Policy that will be brought forward for Council consideration in July 2018. In addition to the necessary administrative updates to the content and structure of our by-laws, Civic Administration is striving to enhance the alignment of our by-laws’ purposes and objectives with the funding requirements of the municipality to strengthen our stewardship of public funds.

The proposed changes to each by-law are summarized in three separate tables below that highlight the changes from the current by-law to the proposed by-law:

ECONOMIC DEVELOPMENT RESERVE FUND (BY-LAW A.-6514-123)

Current Fund By-Law (Appendix A)	Proposed Fund By-Law (Appendix B)
<p>Leading Municipal Act, 2001, references:</p> <p>“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;</p> <p>AND WHEREAS it has been deemed expedient to establish a reserve fund to provide financing options, including grants, partnership opportunities to organizations that promote the Council objective of creating long term employment in the City of London.”</p>	<p>Proposed leading Municipal Act, 2001, references:</p> <p>WHEREAS section 9 of the Municipal Act, 2001, as amended, provides that a municipality has all of the rights, powers and privileges of a natural person;</p> <p>AND WHEREAS subsection 10(1) of the Municipal Act, 2001, as amended, provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public;</p> <p>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);</p> <p>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 funds;</p> <p>Rationale:</p> <p>This section has been updated to reflect further Municipal Act references related to the City’s rights, powers and authority.</p> <p>Furthermore, the current fund by-law “And WHEREAS” statement has been removed as these details are addressed in clause two of the by-law.</p>
<p>Clause 2 defines what monies standing in the Fund shall be used for.</p> <p>“The monies standing in the Fund shall be used by The Corporation of the City of London to provide the funding to organizations that promote the Council objective of creating long term employment in the City of London.”</p>	<p>Proposed clause 2:</p> <p>The monies standing in the Fund shall be used by The Corporation of the City of London (the “Corporation”) to fund initiatives/projects that support economic development within the City of London, including but not limited to creation of long-term employment, as well as Council’s approved Strategic Plan as follows:</p> <ul style="list-style-type: none"> a. One-time initiatives/projects; or b. Initiatives/projects that require a temporary source of financing not to exceed four years. Should Council choose to deliver an initiative/project on a permanent basis, transition plans must identify permanent sources of financing to commence no later than the fifth year. <p>Rationale:</p> <p>The changes to clause 2 better reflects the purpose of the Fund and the manner in which funds are allocated from it. Additionally, the revision aligns this clause with the structure of similar clauses in other reserve fund by-laws approved by Municipal Council.</p>

Current Fund By-Law (Appendix A)	Proposed Fund By-Law (Appendix B)
<p>Clause 4 provides for the City Treasurer's authority to deposit funds into the Fund.</p> <p>"Any subsequent monies raised through the annual property tax levy to be used as a contribution to the Fund shall be deposited to the Fund by the City Treasurer."</p>	<p>Proposed clause 4: Contributions to the Fund shall be deposited by the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, or designate.</p> <p>Rationale: This section has been updated to reflect the City's current organizational structure.</p> <p>The words "or designate" have been added to allow the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer to delegate this administrative responsibility.</p>
<p>Clause 5 provides for the City Treasurer's authority to invest the monies standing in the Fund.</p> <p>"The City Treasurer 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 reserve funds, and the earnings derived from the monies so deposited shall accrue to and form part of the Fund."</p>	<p>Proposed clause 5: The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer 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, as amended, and in so doing, may consolidate the monies standing in the Fund with other funds that the Corporation may hold from time to time provided that any earnings derived from the monies standing in the Fund shall accrue to and form part of the Fund.</p> <p>Rationale: This section has been updated to reflect the City's current organizational structure.</p> <p>The words "or designate" have been added to allow the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer to delegate this administrative responsibility.</p> <p>Reference to a section of the Municipal Act with regards to investing monies has been added to be consistent with more current language contained in other reserve fund by-laws.</p>

CONVENTION FACILITY RESERVE FUND (BY-LAW A-5077-149)

Current Fund By-Law (Appendix C)	Proposed Fund By-Law (Appendix D)
<p>Leading Municipal Act, 2001, references:</p> <p>WHEREAS Section 165 of The Municipal Act, R.S.O. 1980 c.302, provides that a municipality may establish a reserve fund for any purpose for which it has authority to spend funds;</p> <p>AND WHEREAS the Council of the Corporation of the City of London has resolved that a reserve fund known as the Convention Facility Reserve Fund be established to provide initial funding relative to the City’s participation in the development of a convention facility.</p>	<p>Proposed leading Municipal Act, 2001, references:</p> <p>WHEREAS section 9 of the Municipal Act, 2001, as amended, provides that a municipality has all of the rights, powers and privileges of a natural person;</p> <p>AND WHEREAS subsection 10(1) of the Municipal Act, 2001, as amended, provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public;</p> <p>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);</p> <p>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 funds;</p> <p>Rationale:</p> <p>This section has been updated to include additional Municipal Act references regarding the City’s rights and powers as well as ensuring Municipal Act section references are current.</p> <p>Furthermore, the current Fund by-law “And WHEREAS” statement has been removed as these details are addressed in other clauses of the proposed by-law.</p>
<p>Clause 1 enacts the reserve fund.</p> <p>“A reserve fund known as the Convention Facility Reserve Fund is hereby established.”</p>	<p>Proposed clause 1:</p> <p>A reserve fund is hereby established to be known as the “London Convention Centre (LCC) Reserve Fund” (hereinafter called the “Fund”).</p> <p>Rationale:</p> <p>The revised language is proposed to bring the Fund by-law in line with other current reserve fund by-laws.</p>
<p>Clause 2 provides for what type of funds are to be deposited into the Fund.</p> <p>“The City Treasurer shall deposit into this reserve fund the following:</p> <ol style="list-style-type: none"> a. City funds raised specifically for the development of a convention facility. b. Any other funds received or designated for the development of this facility.” 	<p>Proposed clause 3:</p> <p>The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer or designate shall deposit in this Fund the following:</p> <ol style="list-style-type: none"> a. City funds raised specifically for LCC capital infrastructure costs; and b. Any other funds received or designated for this purpose. <p>Rationale:</p> <p>This section has been updated to reflect the City’s current organizational structure.</p>

Current Fund By-Law (Appendix C)	Proposed Fund By-Law (Appendix D)
	<p>The words “or designate” have been added to allow the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer to delegate this administrative responsibility.</p> <p>Reference to the convention facility has been edited to the LCC and reference to development has been revised to capital infrastructure costs to accurately identify the asset and type of costs applicable.</p>
<p>Clause 3 defines what the Fund is to be spent on.</p> <p>“The monies standing in the reserve fund shall be expended, pledged or applied only for the purposes of funding expenditures relative to the development of a convention facility.”</p>	<p>Proposed clause 2: The monies standing in the Fund shall be used by The Corporation of the City of London and the LCC Board of Directors to provide for capital infrastructure costs related to the LCC.</p> <p>Rationale: The clause has been edited to recognize that the City administers the Fund on behalf of a Board and Commission, thus there is a joint responsibility over the Fund. Also, the word development has been removed and replaced with capital infrastructure costs to better reflect the type of costs covered by the Fund.</p>
<p>Proposed clause not contained within the current Fund by-law.</p>	<p>Proposed clause 4: Municipal Council is authorized to allocate monies from the Fund that meet the requirements of section 2 of this by-law and for which the LCC Board of Directors have approved.</p> <p>Rationale: This update is recommended to ensure there is clear direction regarding who has spending authority over this Fund.</p>
<p>Clause 4 and 5 of the current by-law cover the investment of monies standing in the Fund as well as the accounting for deposits and interest earned on Fund balances.</p> <p>“4. The City Treasurer may invest the monies standing in the reserve fund in such securities as a trustee may invest under the Trustees Act or in the general funds of the Municipality as prescribed by the City of London Act, 1972 and the earnings derived from the investment of such monies shall form part of the reserve fund.</p> <p>5. The City Treasurer may deposit the monies standing in the reserve fund into a special bank account or into a consolidated bank account into which are deposited the monies raised for other reserve funds and the earnings derived from such monies shall form part of the reserve fund.”</p>	<p>Proposed clause 5: The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer 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, as amended, and in so doing, may consolidate the monies standing in the Fund with other funds that the Corporation may hold from time to time provided that any earnings derived from the monies standing in the Fund shall accrue to and form part of the Fund.</p> <p>Rationale: This section has been updated to reflect the City’s current organizational structure.</p> <p>The words “or designate” have been added to allow the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer to delegate this administrative responsibility.</p>

Current Fund By-Law (Appendix C)	Proposed Fund By-Law (Appendix D)
	Reference to a section of the Municipal Act with regards to investing monies has been added to be consistent with more current language contained in other reserve fund by-laws.
<p>Clause 6 is the provision instructing Civic Administration to continuously maintain the Fund until otherwise noted by Council.</p> <p>“Notwithstanding that provision may not be made by Council in the estimates of the current or any subsequent year for maintenance of the reserve fund, it shall continue and be maintained and the Council shall always be taken as considering the reserve fund as necessary so long as this by-law is in force.”</p>	<p>Proposed clause 6: Notwithstanding that provision may not be made by the Municipal Council in the estimates of the current or any subsequent year for contributions 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.</p> <p>Rationale: This clause has been update to reflect minor language changes in support of consistency among reserve fund by-laws.</p>

LAND ACQUISITION RESERVE FUND (BY-LAW A.-7518-18)

Current Fund By-Law (Appendix E)	Proposed Fund By-Law (Appendix F)
<p>Clause 3 defines the approval requirement for funds expended for the purpose outlined in clause 2a.</p> <p>“Before any monies are expended from the Fund for the purposes outlined in section 2a of this by-law, the approval of the Municipal Council shall be given to the making of the drawdown from the Fund in a given year.”</p>	<p>Proposed clause 3: Before any monies are expended from the Fund for the purposes outlined in section 2a of this by-law, authorization shall be acquired as follows:</p> <ul style="list-style-type: none"> a. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer or designate approval for purchases valued at less than \$100 thousand dollars; b. Council approval for purchases valued at \$100 thousand dollars or greater. <p>Rationale: The current process is time consuming when acquiring small parcels of land of a nominal value. In certain instances, Civic Administration is required to act quickly when the purchase of small land parcels is necessary or desirable. Providing delegated authority to the Civic Administration for funds expended with a value less than \$100,000 for each occurrence expedites the approval process for low risk requests while ensuring Municipal Council is the decision maker for more substantial requests. Furthermore, this revision aligns with current Realty Services processes for land acquisitions under \$100,000 and the City’s Procurement of Goods and Services Policy.”</p>

CONCLUSION

Civic Administration is recommending that the by-laws establishing the Economic Development Reserve Fund in 2010, Convention Facility Reserve Fund in 1988 and Land Acquisition Reserve Fund in 2017 be repealed and replaced with revised by-laws in order to ensure that parameters are established to best meet the needs of Municipal Council and Civic Administration.

PREPARED BY:	REVIEWED BY:
DAVID BORDIN, CPA, CGA MANAGER II, ACCOUNTING & REPORTING	JASON DAVIES, CPA, CMA MANAGER III, FINANCIAL PLANNING & POLICY
RECOMMENDED BY:	
ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

Cc: Ian Collins – Director, Financial Services
Alan Dunbar – Manager III, Financial Planning & Policy
John Millson – Senior Financial Business Administrator
Kyle Murray – Senior Financial Business Administrator

APPENDIX A – CURRENT ECONOMIC DEVELOPMENT RESERVE FUND BY-LAW

Bill No. 164
2010

By-law No. A.-6514-123

A by-law to establish the Economic Development Reserve Fund.

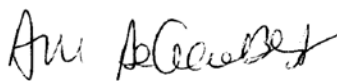
WHEREAS Section 417 of the *Municipal Act, 2001*, as amended, provides that a municipality may establish a reserve fund for any purpose for which it has authority to spend money;

AND WHEREAS it has been deemed expedient to establish a reserve fund to provide financing options, including grants, partnership opportunities to organizations that promote the Council objective of creating long term employment in the City of London.

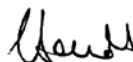
NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. A reserve fund is hereby established to be known as the Economic Development Reserve Fund” (hereinafter called the “Fund”).
2. The monies standing in the Fund shall be used by The Corporation of the City of London to provide the funding to organizations that promote the Council objective of creating long term employment in the City of London.
3. Before any monies are expended from the Fund for the purposes outlined in section 2 of this by-law, the approval of the Municipal Council shall be given to the allocation of such monies from the Fund in a given year.
4. Any subsequent monies raised through the annual property tax levy to be used as a contribution to the Fund shall be deposited to the Fund by the City Treasurer.
5. The City Treasurer 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 reserve funds, and the earnings derived from the monies so deposited shall accrue to and form part of the Fund.
6. Notwithstanding that provision may not be made by the Council in the estimates of the current or any subsequent year for contributions to the Fund, it shall continue and be maintained, and the Council shall always be taken as considering the Fund as necessary so long as this by-law continues in force.
7. This by-law comes into force on the day it is passed.

PASSED in Open Council on April 19, 2010.



Anne Marie DeCicco-Best
Mayor



Catharine Saunders
City Clerk

First Reading - April 19, 2010
Second Reading - April 19, 2010
Third Reading - April 19, 2010

APPENDIX B – PROPOSED ECONOMIC DEVELOPMENT RESERVE FUND BY-LAW

Bill No.
2017

By-law No. A.-_____

A by-law to establish the Economic Development Reserve Fund and to repeal and replace By-law A.-6514-123 being “A by-law to establish the Economic Development Reserve Fund”.

WHEREAS section 9 of the Municipal Act, 2001, as amended, provides that a municipality has all of the rights, powers and privileges of a natural person;

AND WHEREAS subsection 10(1) of the Municipal Act, 2001, as amended, 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, 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 funds;

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 “Economic Development 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 initiatives/projects that support economic development, including but not limited to creation of long-term employment, within the City of London as well as Council’s approved Strategic Plan as follows:
 - a. One-time initiatives/projects; or
 - b. Initiatives/projects that require a temporary source of financing not to exceed four years. Should Council choose to deliver an initiative/project on a permanent basis, transition plans must identify permanent sources of financing to commence no later than the fifth year.
3. Before any monies are expended from the Fund for the purposes outlined in section 2a and 2b of this by-law, the approval of the Municipal Council shall be given to the making of the drawdown from the Fund in a given year.
4. Contributions to the Fund shall be deposited by the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, or designate.
5. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer 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, as amended, and in so doing, may consolidate the monies standing in the Fund with other funds that the Corporation may hold from time to time provided that any earnings derived from the monies standing in the Fund shall accrue to and form part of the Fund.
6. Notwithstanding that provision may not be made by the Municipal Council in the estimates of the current or any subsequent year for contributions 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.
7. By-law A.-6514-123 being “A by-law to establish the Economic Development Reserve Fund”, passed by Municipal Council on April 19, 2010 is hereby repealed.

8. This by-law comes into force on the day it is passed.

PASSED in Open Council on June 12, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – June 12, 2018
Second Reading – June 12, 2018
Third Reading – June 12, 2018

APPENDIX C – CURRENT CONVENTION FACILITY RESERVE FUND BY-LAW

FINANCE DEPARTMENT
TREASURY DIVISION

Bill No. 220

RF 1950
GG 1750

RECEIVED MAY 09 1988 1-90

CENTRAL RECORDS NO. _____
REFERRING TO _____
SUBJECT: RESERVE FUND
SERIALIZED BY _____
INDEXED BY _____
FILED BY _____
MAY 11 1988
CITY OF LONDON

By-law No. A-5077-149

A by-law to establish a reserve fund for a Convention Facility.

WHEREAS Section 165 of The Municipal Act, R.S.O. 1980 c.302, provides that a municipality may establish a reserve fund for any purpose for which it has authority to spend funds;

AND WHEREAS the Council of The Corporation of the City of London has resolved that a reserve fund known as the Convention Facility Reserve Fund be established to provide initial funding relative to the City's participation in the development of a convention facility;

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

1. A reserve fund known as the Convention Facility Reserve Fund is hereby established.
2. The City Treasurer shall deposit into this reserve fund the following:
 - a) City funds raised specifically for the development of a convention facility,
 - b) any other funds received or designated for the development of this facility.
3. The monies standing in the reserve fund shall be expended, pledged or applied only for the purposes of funding expenditures relative to the development of a convention facility.
4. The City Treasurer may invest the monies standing in the reserve fund in such securities as a trustee may invest under the Trustees Act or in the general funds of the Municipality as prescribed by the City of London Act, 1972 and the earnings derived from the investment of such monies shall form part of the reserve fund.
5. The City Treasurer may deposit the monies standing in the reserve fund into a special bank account or into a consolidated bank account into which are deposited the monies raised for other reserve funds and the earnings derived from such monies shall form part of the reserve fund.
6. Notwithstanding that provision may not be made by the Council in the estimates of the current or any subsequent year for maintenance of the reserve fund, it shall continue and be maintained and the Council shall always be taken as considering the reserve fund as necessary so long as this by-law is in force.
7. This by-law comes into force on the day it is passed.

PASSED in Open Council this 2nd day of May, 1988.

T. C. Gosnell
T. C. Gosnell
Mayor

K. W. Sadler
K. W. Sadler
City Clerk

First Reading - May 2, 1988
Second Reading - May 2, 1988
Third Reading - May 2, 1988

APPENDIX D – PROPOSED LONDON CONVENTION CENTRE RESERVE FUND BY-LAW

Bill No.
2017

By-law No. A.-_____

A by-law to establish the London Convention Centre Reserve Fund and to repeal and replace By-law A-5077-149 being “A by-law to establish a reserve fund for a Convention Facility”.

WHEREAS section 9 of the Municipal Act, 2001, as amended, provides that a municipality has all of the rights, powers and privileges of a natural person;

AND WHEREAS subsection 10(1) of the Municipal Act, 2001, as amended, 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, 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 funds;

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 “London Convention Centre (LCC) Reserve Fund” (hereinafter called the “Fund”).
2. The monies standing in the Fund shall be used by The Corporation of the City of London and the LCC Board of Directors to provide for capital infrastructure costs related to the LCC.
3. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer or designate shall deposit in this Fund the following:
 - a. City funds raised specifically for LCC capital infrastructure costs; and
 - b. Any other funds received or designated for this purpose.
4. Municipal Council is authorized to allocate monies from the Fund that meet the requirements of section 2 of this by-law and for which the LCC Board of Directors have approved.
5. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer 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, as amended, and in so doing, may consolidate the monies standing in the Fund with other funds that the Corporation may hold from time to time provided that any earnings derived from the monies standing in the Fund shall accrue to and form part of the Fund.
6. Notwithstanding that provision may not be made by the Municipal Council in the estimates of the current or any subsequent year for contributions 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.
7. By-law A-5077149 being “A by-law to establish a reserve fund for a Convention Facility”, passed by Municipal Council on May 2, 1988 is hereby repealed.

8. This by-law comes into force on the day it is passed.

PASSED in Open Council on June 12, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – June 12, 2018
Second Reading – June 12, 2018
Third Reading – June 12, 2018

APPENDIX E – CURRENT LAND ACQUISITION RESERVE FUND BY-LAW

Bill No. 100
2017

By-law No. A.-7518-78

A by-law to establish the Land Acquisition Reserve Fund and to repeal and replace By-law A.-5998-513 being "A by-law to establish the Land Acquisition Reserve Fund" and repeal By-law A.-5076-148 being "A by-law to establish a reserve fund for Miscellaneous Land Acquisitions"

WHEREAS section 9 of the *Municipal Act, R.S.O. 2001, C.25* as amended, provides that a municipality has all of the rights, powers and privileges of a natural person;

AND WHEREAS subsection 10(1) of the *Municipal Act, R.S.O. 2001, C.25*, as amended, 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, R.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);

AND WHEREAS Section 417(1) of the *Municipal Act, R.S.O. 2001, C.25*, as amended, provides that a municipality may establish a reserve fund for any purpose for which it has authority to spend funds;

AND WHEREAS it is desirable to establish a reserve fund to provide for the acquisition of land and property in advance of projected needs and operating costs associated with maintaining the land and property until the future use of the land and property is determined by Municipal Council;

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 "Land Acquisition Reserve Fund" (hereinafter called the "Fund").
2. The monies standing in the Fund shall be used by The Corporation of the City of London to provide for the following:
 - a. The cost of acquiring land and property in advance of projected need; and
 - b. For the operating costs associated with maintaining the land and property until the future use of the land and property is determined by Municipal Council.
3. Before any monies are expended from the Fund for the purposes outlined in section 2a of this by-law, the approval of the Municipal Council shall be given to the making of the drawdown from the Fund in a given year.
4. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer or designate is authorized to expend monies from the Fund for the purposes outlined in section 2b of this by-law.
5. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer or designate shall deposit in this reserve fund the following:
 - a. City funds raised specifically for land and property acquisitions; and
 - b. Any other funds received or designated for this purpose.
6. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer 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*, as amended, and in so doing, may consolidate the monies standing in the Fund with other funds that the Corporation may hold from time to time provided that any earnings derived from the monies standing in the Fund shall accrue to and form part of the Fund.

7. Notwithstanding that provision may not be made by the Municipal Council in the estimates of the current or any subsequent year for contributions 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 A.-5076-148 being "A by-law to establish a reserve fund for Miscellaneous Land Acquisitions", passed by Municipal Council on May 2, 1988 is hereby repealed.

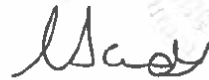
9. By-law A.-5998-513 being "A by-law to establish the Land Acquisition Reserve Fund", passed by Municipal Council on June 12, 2006, is hereby repealed.

10. This by-law comes into force and effect on the day it is passed.

PASSED in Open Council on March 2, 2017.



Matt Brown
Mayor



Catharine Saunders
City Clerk

First Reading – March 2, 2017
Second Reading – March 2, 2017
Third Reading – March 2, 2017

APPENDIX F – PROPOSED LAND ACQUISITION RESERVE FUND BY-LAW

Bill No.
2017

By-law No. A.-_____

A by-law to establish the Land Acquisition Reserve Fund and to repeal and replace By-law A.-7518-18 being “A by-law to establish the Land Acquisition Reserve Fund”.

WHEREAS section 9 of the Municipal Act, 2001, as amended, provides that a municipality has all of the rights, powers and privileges of a natural person;

AND WHEREAS subsection 10(1) of the Municipal Act, 2001, as amended, 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, 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 funds;

AND WHEREAS it is desirable to establish a reserve fund to provide for the acquisition of land and property in advance of projected needs and operating costs associated with maintaining the land and property until the future use of the land and property is determined by Municipal Council;

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 “Land Acquisition Reserve Fund” (hereinafter called the “Fund”).
2. The monies standing in the Fund shall be used by The Corporation of the City of London to provide for the following:
 - a. The cost of acquiring land and property in advance of projected need; and
 - b. For the operating costs associated with maintaining the land and property until the future use of the land and property is determined by Municipal Council.
3. Before any monies are expended from the Fund for the purposes outlined in section 2a of this by-law, authorization shall be acquired as follows:
 - a. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer or designate approval for purchases valued at less than \$100 thousand dollars; and
 - b. Council approval for purchases valued at \$100 thousand dollars or greater.
4. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer or designate is authorized to expend monies from the Fund for the purposes outlined in section 2b of this by-law.
5. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer or designate shall deposit in this Fund the following:
 - a. City funds raised specifically for land and property acquisitions; and
 - b. Any other funds received or designated for this purpose.
6. The Managing Director, Corporate Services and City Treasurer, Chief Financial Officer 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, as amended, and in so doing, may consolidate the monies standing in the Fund with other funds that the Corporation may hold from time to time provided that any earnings derived from the monies standing in the Fund shall accrue to and form part of the Fund.
7. Notwithstanding that provision may not be made by the Municipal Council in the estimates of the current or any subsequent year for contributions 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 A.-7518-18 being “A by-law to establish the Land Acquisition Reserve Fund”, passed by Municipal Council on March 2, 2017 is hereby repealed.

9. This by-law comes into force on the day it is passed.

PASSED in Open Council on June 12, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – June 12, 2018
Second Reading – June 12, 2018
Third Reading – June 12, 2018