

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON SEPTEMBER 8, 2020
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	2020 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-laws (Appendix A) **BE INTRODUCED** at the Municipal Council meeting to be held on September 15, 2020 to establish reserve fund by-laws in accordance with the October 2, 2018 Council approved Reserves Rationalization Report;
- b) the attached proposed by-law (Appendix B) **BE INTRODUCED** at the Municipal Council meeting to be held on September 15, 2020 to establish a reserve fund by-law in accordance with the January 12, 2016 Council approved Red Light Camera Program Implementation.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Corporate Services Committee, September 25, 2018 meeting, Agenda Item # 2.2, Reserves Rationalization Report

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=50269>

Corporate Services Committee, July 17, 2018 meeting, Agenda Item # 2.4, Reserve & Reserve Fund Policy Report

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=47669>

Civic Works Committee, January 5, 2016 meeting, Agenda Item # 2, Red Light Camera Program Implementation

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=22116>

LINK TO 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. The Reserve Fund Housekeeping Report supports this strategic area of focus via the strategic priority "The City of London is a leader in public service as an employer, a steward of public funds, and an innovator of service" which includes maintaining London's finances in a transparent and well-planned manner to balance equity and affordability over the long term.

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:

- 1) Establish by-laws for reserves converted into reserve funds as per the Council approved Reserves Rationalization Report; and
- 2) Establish a reserve fund by-law for the Red Light Camera Program as per the Council approved Red Light Camera Program Implementation.

These proposed new by-laws are a continuation of the City’s reserve and reserve fund portfolio rationalization effort, which seeks to find administrative efficiency and enhance the alignment of our reserve funds objectives with the funding requirements of the municipality to strengthen our stewardship of public funds. These modernization efforts are consistent with the framework established in the Council approved Reserve and Reserve Fund Policy.

PART 1 - RESERVES TO BE CONVERTED INTO RESERVE FUNDS

At the Corporate Services Committee meeting on September 25, 2018, Council received the Reserves Rationalization Report, which outlined the City’s reserves holdings and recommended revisions aimed at achieving the objectives stated above. Through the recommendations of this report, Council at its meeting on October 2, 2018, resolved:

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to The Corporation of the City of London reserves:

- a) *the following six (6) reserves **BE APPROVED** as the reserves of The Corporation of the City of London:*
 - i) *Tax Supported Budget – Operating Budget Contingency Reserve and Operating Efficiency, Effectiveness & Economy Reserve*
 - ii) *Wastewater & Treatment Rate Supported Budget – Wastewater Budget Contingency Reserve and Wastewater Efficiency, Effectiveness & Economy Reserve*
 - iii) *Water Rate Supported Budget – Water Budget Contingency Reserve and Water Efficiency, Effectiveness & Economy Reserve;*
- b) *the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer **BE AUTHORIZED** to take any and all actions necessary to align the reserves approved in a), above, with the provisions of the City’s Reserve and Reserve Fund Policy; and*
- c) *the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer **BE AUTHORIZED** to take the following actions with respect to winding down and terminating reserves currently held by The Corporation of the City of London that are no longer included in the reserves approved in a) above:*
 - i) *Transfer reserve balances identified in Appendix B to the Operating Budget Contingency Reserve and terminate reserves after the transfers are complete;*
 - ii) *Transfer reserve balance identified in Appendix C to the City Facilities Reserve Fund and terminate reserve after the transfer is complete; and*
 - iii) *Convert reserves identified in Appendix D into reserve funds, terminate reserves after the conversions are complete and balances have been transferred, it being noted that Civic Administration will bring forward appropriate reserve fund by-laws to a future Corporate Services Committee meeting.*

Part 1 of this report addresses clause c) iii) of the Council resolution with respect to converting reserves into reserve funds; all other resolutions from this report have been addressed by the City Treasurer, or designate. For operational purposes these reserves were converted to, and managed as, reserve funds following the Council resolution noted above. Formal approval of the by-laws included with this report is the final administrative requirement to officially convert the reserves to reserve funds.

SUMMARY OF RESERVE FUNDS

As a result of the Reserves Rationalization Report, eight reserves were identified and approved by Council to be converted into reserve funds. These eight reserve funds are summarized in the table below. For a complete review of the proposed reserve fund by-laws see Appendix A.

Reserve Fund Name	Description & Target Balance Rationale
Animal Welfare Reserve Fund	<p>Description: This reserve fund supports Animal Care and Control Program initiatives for the protection of the public and the welfare of domestic animals in the community.</p> <p>Target Rationale: The target for this reserve fund will be developed in conjunction with the Special Projects & New Initiatives Reserves and Reserve Funds Rationalization Report.</p>

Reserve Fund Name	Description & Target Balance Rationale
Building Permit Revenue Stabilization Reserve Fund	<p>Description: This reserve fund collects annual building permit surpluses, if any, to provide funding for future year building administration and enforcement costs in excess of building permit revenue.</p> <p>Target Rationale: The target balance of the reserve fund is 100% of the annual operating costs for the administration and enforcement of the Building Code Act and the Building Code.</p>
Dearness Home Gift Reserve Fund	<p>Description: This reserve fund collects donations from external parties in support of Dearness Home operations. The funds can only be used for Dearness Home related activities, or as otherwise stipulated by donor agreements.</p> <p>Target: Because this reserve fund is financed by non-tax supported contributions, no targets (minimum or maximum) are applied.</p>
Councillor's Lounge & Marriage Services Reserve Fund	<p>As part of the Capital Asset Renewal and Replacement Reserve Funds Rationalization Report this reserve fund is recommended to be consolidated within the City Facilities Renewal Reserve Fund. As such there is no proposed by-law for this reserve fund within Appendix A.</p>
Municipal Election Reserve Fund	<p>Description: This reserve fund supports the City's municipal election expenses and serves the purpose of smoothing the associated cyclical expenditures of running a municipal election.</p> <p>Target: The target for this reserve fund will be developed in conjunction with the Special Projects & New Initiatives Reserves and Reserve Funds Rationalization Report.</p>
Official Plan Reserve Fund	<p>Description: This reserve fund supports the City's Official Plan and other planning projects contained in each iteration of the Development Charges Background Study, and serves the purpose of smoothing the cyclical expenditures. The reserve fund primarily supports consulting costs, but may be used for other relevant expenditures.</p> <p>Target: The target for this reserve fund will be developed in conjunction with the Growth Reserve Funds Rationalization Report.</p>
Tree Bank Reserve Fund	<p>Description: This reserve fund supports the City's Tree Bank Program, which plants new trees on private and public lands. The fund is drawn upon for tree planting that involves community and business collaboration. It taps into community in-kind tree planting labour, and seeks out contributions of materials, discounted trees, etc. so that tree planting investments are maximized.</p> <p>Target: The target for this reserve fund will be developed in conjunction with the Special Projects & New Initiatives Reserves and Reserve Funds Rationalization Report.</p>
Unfunded Liability Reserve Fund	<p>Description: This reserve fund supports employee benefits payable excluding WSIB claims in excess of \$250,000, landfill closure and post-closure liabilities, and other liabilities for which there is no identified source of financing as reported in the annual consolidated financial statements.</p> <p>Target: The target balance of this reserve fund is 85% of employee benefits payable excluding WSIB claims in excess of \$250,000, plus landfill closure and post-closure liabilities as reported in the annual audited financial statements.</p>

PART 2 – ESTABLISHMENT OF RED LIGHT CAMERA PROGRAM RESERVE FUND

At the Civic Works Committee meeting January 5, 2016, Council received the Red Light Camera Program Implementation Report, which outlined how the Red Light Camera Program would be administered and the 5 year (2017 to 2021) cost and revenue projections associated with the program. Through the recommendations of this report, Council at its meeting on January 12, 2016, resolved:

*That on the recommendation of the Managing Director, Environmental & Engineering Services and City Engineer, the following actions **BE TAKEN** with respect to the Red Light Camera Program:*

- a) *That Trafficpax LLC, **BE AWARDED** the contract for the provision of red light cameras, associated equipment, maintenance and data transfer services for the period 2017-2021, in accordance with the terms and conditions of the Request for Approvals executed by the City of Toronto on behalf of the City of London and other participating Red Light Camera municipalities in accordance with Section 14.4 (g) of the Procurement of Goods and Services Policy, noting that there is an option to extend the contact at the discretion of the City of London for an additional five years (January 1, 2022 to December 31, 2026);*
- b) *That Civic Administration **BE AUTHORIZED** to enter into an agreement with the City of Toronto to undertake centralized municipal processing of Red Light Camera offence notices;*
- c) *That Civic Administration **BE AUTHORIZED** to enter into agreements with the Ministry of Attorney General and Ministry of Transportation related to the operation of a Red Light Camera Program;*
- d) *That Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;*
- e) *That approvals given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract with the consultant for the work;*
- f) *That the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations; and*
- g) *That Civic Administration **BE DIRECTED** to create a reserve fund from the net revenue from the Red Light Camera Program to be used for future road safety initiatives and to fund future Red Light Camera Program revenue shortfalls, if necessary.*

Part 2 of this report addresses clause g) of the Council resolution with respect to the creation of a reserve fund for the Red Light Camera Program net revenues. For operational purposes this reserve fund was established following the Council resolution noted above. Formal approval of the by-law included with this report is the final administrative requirement to officially establish the reserve fund.

SUMMARY OF RESERVE FUND

The following table summarizes the description and target balance for the Red Light Camera Program Reserve Fund. For a complete review of the proposed reserve fund by-law see Appendix B.

Reserve Fund Name	Description & Target Balance Rationale
Red Light Camera Program Reserve Fund	<p>Description: This reserve fund collects annual net Red Light Camera Program revenues, if any, to provide funding for future year Red Light Camera Program costs and other road safety initiatives.</p> <p>Target Rationale: Because this reserve fund is financed by non-tax supported contributions, no targets (minimum or maximum) are applied.</p>

CONCLUSION

Civic Administration is recommending that the by-laws contained in Appendix A and Appendix B be established in order to ensure that parameters are set to best meet the needs of the community, Council and Civic Administration, and that all funds managed by the City are in alignment with the requirements of the Municipal Act, 2001, S.O. 2001, C.25, as amended, and the Council approved Reserve & Reserve Fund Policy.

PREPARED BY:	REVIEWED BY:
DAVID BORDIN, CPA, CGA MANAGER II, FINANCIAL PLANNING & POLICY	JASON DAVIES, CPA, CMA MANAGER III, FINANCIAL PLANNING & 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

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

APPENDIX A

**PART 1 – BY-LAWS FOR RESERVES CONVERTED INTO
RESERVE FUNDS**

Bill No.
2020

By-law No. A.-_____

A by-law to establish the Animal Welfare Reserve Fund By-law.

WHEREAS section 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(1) of the *Municipal Act, 2001*, 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, 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);

AND WHEREAS it is desirable to establish a reserve fund to provide for Animal Care and Control Program initiatives, as required;

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

1. A reserve fund is hereby established entitled the "Animal Welfare 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 cost of Animal Care and Control Program initiatives for the protection of the public and the welfare of domestic animals in the community.
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. City Treasurer approved tax supported Assessment Growth contributions; and
 - iv. Other non-tax supported contributions as approved by Municipal Council.
4. Before any monies are expended 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 for expenses less than \$100,000 and the approval of Municipal Council shall be given for expenses equal to or greater than \$100,000.
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 reserve 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. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on September 15, 2020.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – September 15, 2020
Second Reading – September 15, 2020
Third Reading – September 15, 2020

Bill No.
2020

By-law No. A.-_____

A by-law to establish the Building Permit Revenue Stabilization Reserve Fund By-law.

WHEREAS section 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(1) of the *Municipal Act, 2001*, 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, 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);

AND WHEREAS it is desirable to establish a reserve fund to provide for building code administration and enforcement costs in excess of building permit revenue, as required;

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

1. A reserve fund is hereby established entitled the "Building Permit Revenue Stabilization 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 cost of building code administration and enforcement costs in excess of building permit revenue.
3. Contributions to the Fund shall be deposited by the City Treasurer or designate and consist of:
 - i. Annual building permit net revenues, if any; and
 - ii. Other tax and/or non-tax supported contributions as approved by Municipal Council.
4. Before any monies are expended 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, and the drawdown shall be reported to Municipal Council through both the budget monitoring and building permit fees monitoring processes.
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. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on September 15, 2020.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – September 15, 2020
Second Reading – September 15, 2020
Third Reading – September 15, 2020

Bill No.
2020

By-law No. A.-_____

A by-law to establish the Dearness Home Gift Reserve Fund By-law.

WHEREAS section 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(1) of the *Municipal Act, 2001*, 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, 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);

AND WHEREAS it is desirable to establish a reserve fund to provide for donations from external parties in support of Dearness Home operations and residents, as required;

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

1. A reserve fund is hereby established entitled the "Dearness Home Gift 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 cost of Dearness Home operations, or as otherwise stipulated by donor agreements.
3. Contributions to the Fund shall be deposited by the City Treasurer or designate and consist of:
 - i. Third party donations; and
 - ii. Other tax and/or non-tax supported contributions as approved by Municipal Council.
4. Before any monies are expended from the Fund for the purposes outlined in section 2 of this by-law, the approval of the Managing Director, Housing, Social Services and Dearness Home 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. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on September 15, 2020.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – September 15, 2020
Second Reading – September 15, 2020
Third Reading – September 15, 2020

Bill No.
2020

By-law No. A.-_____

A by-law to establish the Municipal Election Reserve Fund By-law.

WHEREAS section 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(1) of the *Municipal Act, 2001*, 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, 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);

AND WHEREAS it is desirable to establish a reserve fund to provide for municipal election costs, as required;

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

1. A reserve fund is hereby established entitled the "Municipal Election 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 cost of municipal elections.
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. City Treasurer approved tax supported Assessment Growth contributions; and
 - iv. Other non-tax supported contributions as approved by Municipal Council.
4. Before any monies are expended 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 for expenses less than \$100,000 and the approval of Municipal Council shall be given for expenses equal to or greater than \$100,000.
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. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on September 15, 2020.

Ed Holder
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City Clerk

First Reading – September 15, 2020
Second Reading – September 15, 2020
Third Reading – September 15, 2020

Bill No.
2020

By-law No. A.-_____

A by-law to establish the Official Plan Reserve Fund
By-law.

WHEREAS section 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(1) of the *Municipal Act, 2001*, 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, 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);

AND WHEREAS it is desirable to establish a reserve fund to provide for costs associated with growth planning projects, as required;

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

1. A reserve fund is hereby established entitled the "Official Plan 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 cost of the Official Plan and other planning projects contained in each iteration of the Development Charges Background Study, and serves the purpose of smoothing the cyclical expenditures. The Fund shall primarily support consulting costs, but may be used for other relevant expenditures.
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. City Treasurer approved tax supported Assessment Growth contributions; and
 - iv. Other non-tax supported contributions as approved by Municipal Council.
4. Before any monies are expended 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 for expenses less than \$100,000 and the approval of Municipal Council shall be given for expenses equal to or greater than \$100,000.
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. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on September 15, 2020.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – September 15, 2020
Second Reading – September 15, 2020
Third Reading – September 15, 2020

Bill No.
2020

By-law No. A.-_____

A by-law to establish the Tree Bank Reserve Fund
By-law.

WHEREAS section 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(1) of the *Municipal Act, 2001*, 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, 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);

AND WHEREAS it is desirable to establish a reserve fund to provide for the cost of grants approved as part of The Corporation of the City of London's Tree Bank program, as required;

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

1. A reserve fund is hereby established entitled the "Tree Bank 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 cost of the Tree Bank program, which plants new trees on private and public lands through tree planting that involves community and business collaboration.
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. City Treasurer approved tax supported Assessment Growth contributions; and
 - iv. Other non-tax supported contributions as approved by Municipal Council.
4. Before any monies are expended 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. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on September 15, 2020.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – September 15, 2020
Second Reading – September 15, 2020
Third Reading – September 15, 2020

Bill No.
2020

By-law No. A.- _____

A by-law to establish the Unfunded Liability Reserve Fund By-law.

WHEREAS section 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(1) of the *Municipal Act, 2001*, 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, 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);

AND WHEREAS it is desirable to establish a reserve fund to provide for liabilities recognized on The Corporation of the City of London annual consolidated financial statements for which no other permanent and/or temporary source of financing exists, as required;

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

1. A reserve fund is hereby established entitled the "Unfunded Liability 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 employee benefits payable excluding WSIB claims in excess of \$250,000.00, landfill closure and post-closure liabilities, and other liabilities for which there is no identified source of financing as reported in the annual consolidated financial statements.
3. Contributions to the Fund shall be deposited by the City Treasurer or designate and consist of:
 - i. Municipal Council approved tax and/or rate supported multi-year budget contributions;
 - ii. City Treasurer approved tax and/or rate supported annual surplus contributions; and
 - iii. Other non-tax and/or non-rate supported contributions as approved by Municipal Council.
4. Before any monies are expended 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. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on September 15, 2020.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – September 15, 2020
Second Reading – September 15, 2020
Third Reading – September 15, 2020

APPENDIX B

**PART 2 – BY-LAW FOR RED LIGHT CAMERA PROGRAM
RESERVE FUND**

Bill No.
2020

By-law No. A.-_____

A by-law to establish the Red Light Camera Program Reserve Fund By-law.

WHEREAS section 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(1) of the *Municipal Act, 2001*, 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, 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);

AND WHEREAS it is desirable to establish a reserve fund to provide for Red Light Camera Program and other road safety initiative costs, as required;

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

1. A reserve fund is hereby established entitled the "Red Light Camera Program 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 cost of the Red Light Camera Program and other road safety initiatives.
3. Contributions to the Fund shall be deposited by the City Treasurer or designate and consist of:
 - i. Annual net Red Light Camera Program revenues; and
 - ii. Other tax and/or non-tax supported contributions as approved by Municipal Council.
4. Before any monies are expended from the Fund for the purposes outlined in section 2 of this by-law, the approval of the Managing Director, Environmental and Engineering Services and City Engineer or designate, and 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. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on September 15, 2020.

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – September 15, 2020
Second Reading – September 15, 2020
Third Reading – September 15, 2020