

LEGAL



VALUE PROPOSITION

I expect legal services to provide advice regarding the law and represent municipal interests in a cost-effective manner that supports quality outcomes and reduces risk.

KEEP IN MIND:

Influencing Factors

Influencing factors can create variances in comparison data from year-to-year and from municipality-to-municipality.



Council Policy

Services and support available, and handling reimbursements of indemnifications vary per municipality



Demand Drivers

Requests vary for specific legal services



Organizational Form & Municipal Services Provided

Single-tier vs. Upper-tier municipalities; client types supported; how costs are controlled; mix of external vs. in-house lawyers

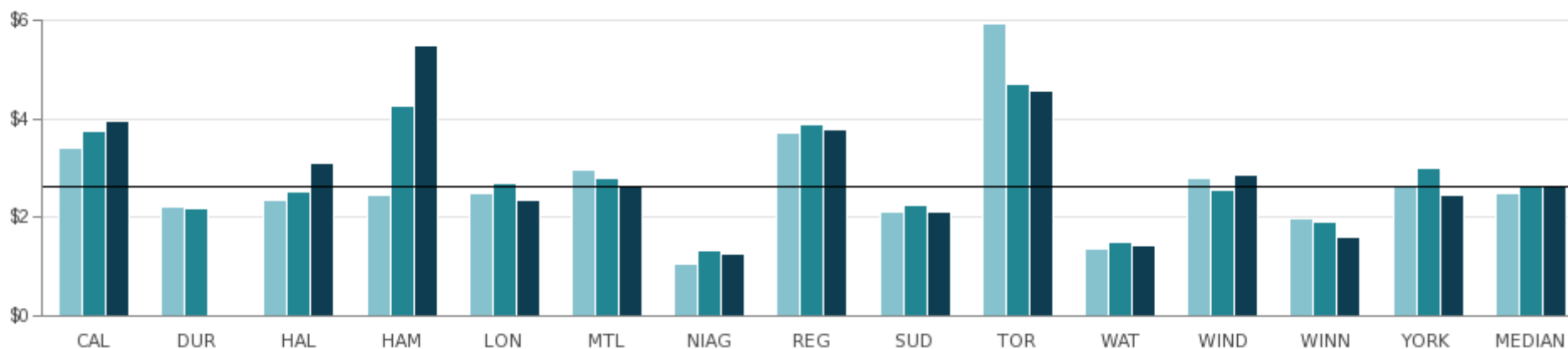


For a full description of influencing factors, please go to: www.mbnccanada.ca

Legal

Figure 17.1 In-House Legal Operating Cost per \$1,000 Municipal Operating and Capital Expenditures

This measure represents the operating cost to provide in-house legal services. Council direction on budgets, tax rates, collective bargaining, etc., will impact the total municipal spend, which in turn will impact the reported total municipal operating and capital expenditures. This can cause fluctuations in year-over-year results, even if total in-house costs remain stable.



2017	\$3.42	\$2.20	\$2.35	\$2.46	\$2.50	\$2.98	\$1.06	\$3.72	\$2.12	\$5.94	\$1.35	\$2.79	\$1.98	\$2.65	\$2.48
2018	\$3.75	\$2.19	\$2.53	\$4.27	\$2.70	\$2.80	\$1.33	\$3.88	\$2.23	\$4.72	\$1.49	\$2.54	\$1.89	\$3.00	\$2.62
2019	\$3.96	N/A	\$3.09	\$5.51	\$2.36	\$2.62	\$1.25	\$3.78	\$2.12	\$4.59	\$1.42	\$2.86	\$1.59	\$2.45	\$2.62

Source: LEGL252 (Efficiency)

Durham: Data entry for 2019 delayed due to COVID-19 pandemic.

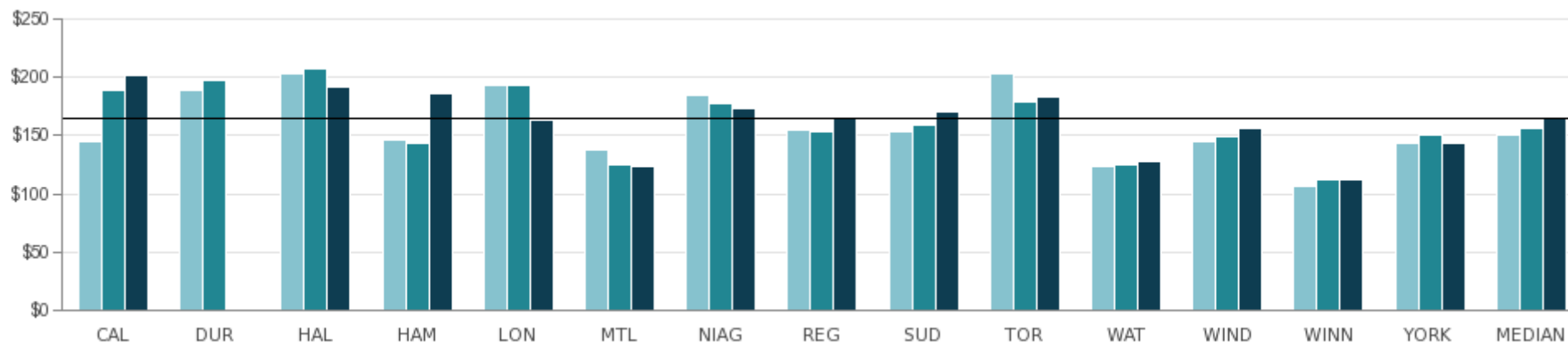
Halton: The increase is a reflection of the increase of in-house lawyers for 2019.

Hamilton: In 2019, municipal operating and capital expenditures dropped while Legal Services costs remained relatively constant.

Legal

Figure 17.2 In-House Legal Operating Cost per In-House Lawyer Hour

This measure represents the operating cost to provide in-house legal services. The in-house lawyer hours include standard work week and overtime hours only. Vacation and sick time are not included in the total number of in-house lawyer hours.



2017	\$145	\$189	\$204	\$146	\$194	\$138	\$185	\$155	\$154	\$203	\$123	\$145	\$107	\$144	\$150
2018	\$189	\$197	\$207	\$144	\$194	\$125	\$178	\$154	\$159	\$179	\$125	\$149	\$112	\$151	\$157
2019	\$202	N/A	\$192	\$186	\$164	\$124	\$174	\$165	\$171	\$184	\$128	\$156	\$112	\$143	\$165

Source: LEGL315 (Efficiency)

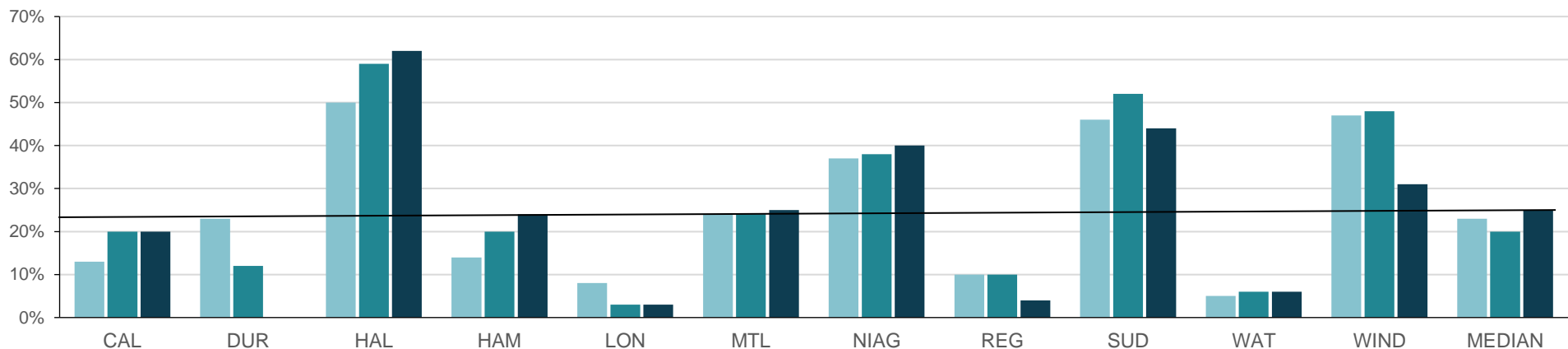
Durham: Data entry for 2019 delayed due to COVID-19 pandemic.

Hamilton: While costs remained somewhat constant, there was a reduction of lawyer hours for 2019 due to staffing changes and long-term disability leaves.

Legal

Figure 17.3 External Legal Cost per Total Municipal Legal Cost

The external costs include the total payment to external law firms for the purposes of providing legal services only. The calculation does not include payment for other services such as investigations, arbitrations, collective bargaining, etc.



2017	13%	23%	50%	14%	8%	24%	37%	10%	46%	5%	47%	23%
2018	20%	12%	59%	20%	3%	24%	38%	10%	52%	6%	48%	20%
2019	20%	N/A	62%	24%	3%	25%	40%	4%	44%	6%	31%	25%

Source: LEGL330 (Efficiency)

Hamilton: The City had a number of large files that required external counsel in 2019.

Regina: Legal services are provided in-house. External legal counsel is only engaged on files that required specialized expertise.

Sudbury: Fewer large-scale litigation matters requiring external counsel occurred in 2019 than in 2018.

Toronto, Winnipeg and York: Do not report on this measure.

Windsor: In 2019, the City saw a significant reduction in external legal costs. External legal fees are largely uncontrollable and dependent upon actions brought against the City.

