



March 5 2015

His Worship Mayor Matt Brown and Members of City Council
The City of London
300 Dufferin Avenue
London, Ontario, N6A 4L9

Dear Mayor Brown and Members of Council:

Re: City Budget 2015 - Comments

As you know, a Task Force of our Government Affairs Committee has been closely studying the City's budget process during 2014 and 2015 at the request of the Chamber's Board of Directors.

During the process for the 2015 budget, we received a lot of information about both the City's budget process and the organization of its finances, through informative presentations and significant cooperation from City staff. We wish to again express our sincerest thanks for that cooperation.

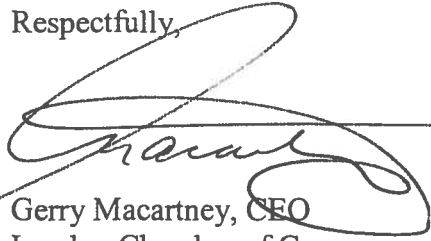
As you will recall, in our letter of December 9, 2014 we supported the City's move to go to a multi-year budgeting process and commended its initiative to developing an overall strategic plan. We did however express some concern that a 2.9% projected increase might creep over the 3% mark once increases for emergency services were taken into account. We also expressed concern that the 2016 projection of a 4.2% would slow the recovery of London's economy which, in spite of pockets of success, has remained somewhat fragile since the 2008 recession.

The Chamber was very pleased that not only was Council able to keep the projected 2.9% increase from creeping upward, but that they actually managed to bring that number down to 2.5% - squarely falling within the Chamber's recommended range of 2-3%. While we recognize that this increase is exclusive of the 7% increase in water and wastewater rates, it has generally been the practice of the Chamber to focus on property taxes in our municipal budget recommendations.

We encourage Council to work over the next year to bring the 2016 projection of 4.2% below the 3% mark as well. We trust that by fully developing London's Strategic Plan and by ensuring that future spending decisions align with that plan, that this Council will be able to accomplish that goal.

The Chamber looks forward to the opportunity to actively engage at early stages of the 2016 budget as you begin your multi-year planning process.

Respectfully,

A handwritten signature in black ink, appearing to read "Gerry Macartney", is written over a horizontal line. The signature is stylized and cursive.

Gerry Macartney, CEO
London Chamber of Commerce

Copies: Chamber Board of Directors, Government Affairs Committee