

TO:	CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON JUNE 25, 2018
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	2019 BUDGET SCHEDULE

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following dates for the 2019 Annual Budget Update **BE APPROVED:**

Tabling of the 2019 Annual Budget Update (Tax Supported, Water and Wastewater & Treatment)	December 17, 2018, 4 p.m. Start
Public Participation Meeting (Tax Supported, Water and Wastewater & Treatment)	January 17, 2019, 4 p.m. Start
Budget Review (Tax Supported, Water and Wastewater & Treatment)	January 24, 2019, 9 a.m. Start
Budget Review (Tax Supported, Water and Wastewater & Treatment)	January 28, 2019, 4 p.m. Start (if needed)
Final Budget Approval (Tax Supported, Water and Wastewater & Treatment)	February 12, 2019, 4 p.m. Start
Assessment Growth Allocation Report	February 2019

PREVIOUS REPORTS PERTINENT TO THIS MATTER

2016-2019 Multi-Year Budget, May 11, 2015 Strategic Priorities and Policy Committee, Agenda Item #6
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=19030>

LINK TO THE 2015-2019 STRATEGIC PLAN

Council's 2015-2019 Strategic Plan for the City of London identifies 'Leading in Public Service' as a strategic area of focus. The City of London's budget process supports this strategic area of focus through the 'Proactive Financial Management' strategic priority. This strategic priority involves, among other things, ensuring that the City's finances are well planned and support intergenerational equity. The implementation of the multi-year budget signifies that the City is looking beyond a short term focus when planning its finances. This results in improved accountability and transparency over spending changes and helps the City maintain positive operating results, stable debt levels, and strong liquidity, reflected in the reaffirmation of the City's Aaa stable credit rating.

BACKGROUND

2019 Annual Budget Update

In 2016, Municipal Council implemented a Multi-Year Budget process in order to improve long-range and strategic planning and enhance focus on major policy issues. While much of the detailed review was undertaken by Municipal Council in Year 1 of the Multi-Year Budget process, section 291(4) of the *Municipal Act, 2001* still requires the municipality to review and readopt the budget for subsequent years to which the budget applies and to ensure that the budget complies with applicable legislative requirements. It is not anticipated that the subsequent years' review and re-adoption of the budgets will be as time-intensive as Year 1. The 2019 Annual Budget Update will be similar to the process that was followed for the 2017 and 2018 Annual Budget Updates. The above-noted schedule for the 2019 Annual Budget Update, is provided for Municipal Council's consideration. The 2019 Annual Budget Update is the first time in the multi-year budget process that a new City Council will reconfirm the fourth and final year of the 2016-2019 Multi-Year Budget. To accommodate timing of the incoming Council, a December budget tabling date is required. The annual budget update schedule has been amended and results in final approval of the Tax Supported, Water and Wastewater & Treatment budgets on February 12, 2019.

The 2019 Annual Budget Update will be tabled on December 17, 2018 and will focus on budget amendments that have been submitted by service areas, which cannot be accommodated within the original approved 2016-2019 Multi-Year Budget. Updates will be limited to the following categories:

- a) New or Changed Regulation (e.g. new Provincial regulation such as Cap and Trade)
- b) New Council Direction (e.g. low-income subsidy for transit)
- c) Cost & Revenue Drivers Causing Significant Variance in Service Areas (e.g. unanticipated changes to economic forecasts that impact municipal costs)

Public Engagement/Education

Extensive public engagement and consultation was undertaken prior to the approval of the 2016-2019 Multi-Year Budget. This feedback was essential to ensure that residents, community organizations, and businesses had a venue to voice their concerns and participate in civic government. While public engagement will continue to be a priority for each annual budget update, the level of engagement will be less than what was experienced in 2015 when the City embarked on its first multi-year budget integrated with Council setting its Strategic Plan. In late 2019, after the new City Council has developed and approved its new Strategic Plan, extensive public engagement will again be undertaken in preparation for the City's 2020-2023 Multi-Year Budget.

It is anticipated that public engagement for the 2019 Annual Update will have a greater focus on budget education to prepare for conversations about financial priorities as part of preparation for the next multi-year budget. Administration will focus on educating Londoners with respect to municipal budget basics and London's multi-year budget process. This will include more targeted outreach sessions with community associations, building on the success of the Urban League Civic Engagement Fair held January 25th of this year. The educational scope of the public engagement strategy will include opportunities for Londoners to provide input that will be communicated to Council. However, this process is not a platform for input on new budget asks outside of the three types of amendments outlined above.

The scope of public engagement could be impacted by the type of amendments that come forward throughout the 2019 Annual Budget Update process that was initiated in early June 2018. For example, if a new Council direction amendment comes forward that could impact the average annual tax levy increase, the strategic focus may change to include more input from the public on the specific amendment so that Council has an opportunity to hear the input before the budget review for the 2019 Annual Budget Update.

The public engagement schedule planned for the 2019 Annual Budget Update is shown in Figure 1.

Figure 1 – Public Engagement Schedule	
Social Media, Email and Phone Calls – Finance staff will be responding to questions or concerns from the public via social media, email or phone calls.	Throughout the Budget Process
Time With Finance Staff – Provides an opportunity for community groups to request a budget presentation and question and answer period with Finance staff.	As Requested
Community Association Outreach – Civic Administration is actively seeking opportunities to visit community interest groups to educate/discuss the City’s budget process. The format, location and scope are to be determined.	Starting Fall 2018
Online Resources – Civic Administration is actively working on providing a number of web resources to assist with public engagement for the 2019 Annual Budget Update.	Launch on December 17, 2018
Budget Session – A public session where the public can meet with Civic Administration to discuss the budget update. The format, location and scope are to be determined.	January 9, 2019 (Evening)
Public Participation Meeting – Members of the public are invited to provide input into the 2019 Annual Budget Update at a scheduled meeting of the Strategic Priorities and Policy Committee.	January 17, 2019

The public engagement undertaken during the annual budget updates of the multi-year period will help provide a foundation of knowledge and information for the upcoming 2020-2023 Multi-Year Budget.

PREPARED BY:	CONCURRED BY:
CINDY WILLIAMSON, CPA, CGA MANAGER I, FINANCIAL MODELLING FORECASTING & SYSTEMS CONTROL	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
 Martin Galczynski – Manager III, Financial Planning & Policy
 John Millson – Senior Financial Business Administrator
 Kyle Murray – Senior Financial Business Administrator