

Table of Contents

Executive Summary	1
Recommendations	3
2016-2019 Multi-Year Budget Recap	10
2019 Budget Amendments	13
Operating Budget Amendments	16
Capital Budget and Ten Year Capital Plan (Including Capital Amendments)	21
Appendix A - Operating Budget Overview	29
Appendix B - Staffing Changes Overview	45
Appendix C - Capital Budget Overview	49
Appendix D - Reserves & Reserve Funds Overview	56
Appendix E - Debt Overview	62
Appendix F - Reconciliation of Tabled Budget to Public Sector Accounting Board Financial Statement Budget	64
Appendix G - Timetable	68
Appendix H - 2016-2019 Multi-Year Budget Operating Summary	70

EXECUTIVE SUMMARY

In 2016, the City of London moved away from the traditional annual budget process to a strategic multi-year budget framework that provides for greater linkages to Municipal Council's Strategic Plan with the budget period covering 2016 to 2019. In the first year of the multi-year budget process, Municipal Council approved an average annual increase from rates of 2.8% for the 2016-2019 Multi-Year Budget period. During the first and second annual update to the 2016-2019 Multi-Year Budget, the average annual increase from rates was maintained at 2.8%. The City of London is now in the third and final Annual Budget Update to the 2016-2019 Multi-Year Budget period.

The budget document contains a total of 12 budget amendments (seven operating, five capital), each supported by a Multi-Year Budget Amendment Case. Eleven of the budget amendments are being recommended by Civic Administration with one being submitted for Municipal Council's consideration. All of the capital budget amendments can be accommodated within the capital plan resulting in no impact to the tax levy. The operating budget amendments, excluding one, result in an impact to the tax levy. With these amendments the average annual increase from rates has decreased from the previously approved 2.8% to 2.7%.

Savings related to cancellation of the previously approved minimum wage increase and an "in-camera" corporate budget matter are resulting in a reduction to the previously approved tax levy increase for 2019, as well as the four year average annual tax levy increase.

In an effort to manage 2019 budget pressures from prior years, as requested by Municipal Council, Civic Administration has submitted a budget amendment to reduce the annual increase for 2019 from 3.2% to 2.9%. Civic Administration has been able to identify adjustments to revenue budgets to achieve this target.

Due to changes in legislation, Civic Administration is submitting two amendments. These amendments include the reversal of further increases in minimum wage in 2019 and changes in bicycle lane maintenance requirements. In addition, a confidential in-camera amendment is being brought forward. With these amendments only, the annual tax levy increase would be 2.6%. Two further amendments are submitted based on increased cost drivers. These are offsetting the previous tax levy decreases, bringing the 2019 annual tax levy increase and four year average increase both to 2.7%. The final operating amendment submitted for Council consideration has no impact on the tax levy.

Table 1 - Recommended 2016-2019 Multi-Year Budget Highlights
(includes all tabled budget amendments)

\$000's

	Approved					
2019 Annual Budget Update	2016 Budget	2017 Budget	2018 Budget	2019 Budget	2016-2019 Total	2020-2025 Forecast
Operating Budget						
Gross Expenditure Budget	840,957	887,114	943,535	949,017	3,620,623	
Net Budget (Tax Levy)	536,434	556,980	579,532	595,222	2,268,169	
Capital Budget By Classification						
Lifecycle Renewal Expenditures	86,942	77,707	75,630	77,557	317,836	548,787
Growth Expenditures ¹	67,998	73,726	57,971	117,790	317,485	790,028
Service Improvements Expenditures	15,804	60,995	32,657	10,035	119,491	184,712
Total Capital Gross Expenditures	170,744	212,428	166,258	205,382	754,812	1,523,527

Subject to Rounding

Note:

1. 2016 to 2018 capital budgets have decreased from 2018 approved totals as a result of housekeeping budget adjustments related to the Capital Budget Realignment - Bus Rapid Transit report at Corporate Services Committee, June 19, 2018.

Throughout the 2016-2019 Multi-Year Budget period, the strategic investments and various budget amendments, including the 2019 Annual Budget Update, helped put London's 2015-2019 Strategic Plan into action while reducing the average annual tax levy increase that was approved for the initial 2016-2019 Multi-Year Budget period from 2.8% to 2.7%.

RECOMMENDATIONS

ALL AMOUNTS REPORTED IN THOUSANDS (\$000's) AND ARE SUBJECT TO ROUNDING

Property Tax Supported 2016-2019 Multi-Year Budget - 2019 Annual Budget Update

Operating Budget Amendments

- a) That the following Multi-Year Budget Amendment Cases impacting the operating budget resulting from revenue/cost drivers, a corporate “in-camera” matter, and changes in regulations impacting the municipality **BE APPROVED**; it being noted that the 2016-2019 average annual tax levy increase would decrease from 2.8% to 2.7%.

<i>Operating Budget Amendment (Recommended - Revenue Driver)</i>			
Case #	Description	Budget Category	2019
1	Adjustments to Reduce Tax Levy Increase to 2.9%. Based on Council direction to reduce the 2019 tax levy increase to 2.9%, past revenue performance and current trends were reviewed through the 2018 service review process and the revenue budget can be increased in the following areas: tipping fees; licensing/ceremony fees; taxation office services fees; parking and court fees; new business licensing; and development services application fees.	Expenditure Inc/(Dec)	-
		Revenue (Inc)/Dec	(1,072)
		Net	(1,072)

Operating Budget Amendment (Recommended - Changed Regulation)			
Case #	Description	Budget Category	2019
2	Cancellation of Planned 2019 Minimum Wage Increase On November 21, 2018, Bill 47, <i>Making Ontario Open for Business Act, 2018</i> , received Royal Assent. This legislation includes the cancellation of the planned increase in the minimum wage for 2019; instead the minimum wage will remain at \$14.00/hour.	Expenditure Inc/(Dec)	(573)
		Revenue (Inc)/Dec	52
		Net	(521)

Operating Budget Amendment (Recommended - "In-Camera")			
Case #	Description	Budget Category	2019
3	Confidential Matter - "In-Camera" A matter pertaining to labour relations and employee negotiations, advice or recommendations of officers and employees of the Corporation including communications necessary for that purpose, and for the purpose of providing instructions and directions to officers and employees of the Corporation.	Expenditure Inc/(Dec)	(2,000)
		Revenue (Inc)/Dec	-
		Net	(2,000)

Operating Budget Amendment (Recommended - Changed Regulation)			
Case #	Description	Budget Category	2019
4	Bicycle Lane Maintenance Ontario regulation 239/02, Minimum Maintenance Standards for Municipal Highways, was amended and enacted on May 3, 2018. Increased maintenance is required to maintain the new standard for cycling in both summer and winter.	Expenditure Inc/(Dec)	408
		Revenue (Inc)/Dec	-
		Net	408

Operating Budget Amendments (Recommended - Cost Driver)			
Case #	Description	Budget Category	2019
5	Additional Land Ambulance Resources This budget amendment is driven by the steady increase in call volumes for Middlesex-London Paramedic Service, primarily within the City of London, as well as further investments required to mitigate organizational risk and meet changing Ministry of Health standards and requirements. Note that the portion of the budget increase related to call volumes is proposed to be funded by Assessment Growth funding in accordance with the City's Assessment Growth Policy.	Expenditure Inc/(Dec)	1,476
		Proposed Assessment Growth Funding	(886)
		Net	590
6	London Police Service (LPS) - Safeguard Program The resources for a full time psychologist and administrative support staff will facilitate expansion of the "safeguard" program to include all sworn and civilian members across LPS. The budget request represents half of the total requirement, based on the projected hire dates for the positions. The balance will be reflected in the 2020 LPS budget.	Expenditure Inc/(Dec)	161
		Revenue (Inc)/Dec	-
		Net	161
Total Net Budget Amendments - Cost Driver			751

- b) That the following Multi-Year Budget Amendment Case impacting the operating budget resulting from new Council direction **BE CONSIDERED**; it being noted that the 2016-2019 Multi-Year Budget average annual tax levy increase would remain at 2.7%.

Operating Budget Amendment (For Consideration - New Council Direction)			
Case #	Description	Budget Category	2019
7	London Children's Museum Funding Request This amendment is a one-time \$2 million investment that will be a component of a broader \$13.9 million project to support the establishment of a new Children's Museum at 100 Kellogg Lane. Strategic use of the Economic Development Reserve Fund in 2019 resulting in no impact to the tax levy may be considered.	Expenditure Inc/(Dec)	2,000
		Revenue (Inc)/Dec	(2,000)
		Net	-

Capital Budget Amendments

- c) That the following actions be taken with regards to the Multi-Year Budget Amendment Cases impacting the capital budget, it being noted that financing can be accommodated within the capital plan without impacting the tax levy:
- i. Changes to the 2019 capital budget, representing a decrease of \$6.2 million **BE APPROVED**, and
 - ii. Changes to the 2020-2025 forecast period, representing an increase of \$28.4 million **BE APPROVED** in principle.

Capital Budget Amendments - Lifecycle Renewal				
Case #	Description	2019	2020 - 2025	Total
8	London Convention Centre - Realign 10 year Capital Plan Rationale: Advance timing of roof replacement project to align with other capital project schedules and minimize negative impacts on operations.	1,857	(2,489)	(632)
9	Covent Garden Market Garage Painting Rationale: Additional funding required to extend the useful life of deteriorating concrete in the Convent Garden Market parking garage.	50	52	102
Total Budget Amendments - Lifecycle Renewal (LCR)		1,907	(2,437)	(530)
Total Tax Levy Impact		-	-	-

Note: Capital budget amendments reflect requested investments, it being noted that financing can be accommodated within the capital plan without impacting the tax levy.

Capital Budget Amendments - Growth				
Case #	Description	2019	2020 - 2025	Total
10	Masonville Transit Village Secondary Plan Rationale: The 2014 Development Charges Background Study provides funding for studies and projects to support future growth and development of the City. Rapid Transit Village Secondary Plans were identified as an eligible category of studies. This amendment establishes a capital account for the first study under this program that will provide the foundation for future redevelopment of the Masonville Transit Village; the northern terminus of the City's rapid transit system.	75	-	75
11	Project Estimate Updates - Growth Transportation Capital Projects Rationale: Changes to project estimates for transportation growth projects based on results of multiple environmental assessments completed in 2018 (Wharncliffe Rd. widening, Richmond/Fanshawe intersection, Hamilton/Highbury intersection).	(1,325)	23,970	22,645
12	Realignment of Growth Transportation Capital Projects Rationale: Changes to the timing of various transportation growth projects resulting in no additional funding requirement to the 10 year capital plan.	(6,833)	6,833	-
Total Budget Amendments - Growth (G)		(8,083)	30,803	22,720
Total Tax Levy Impact		-	-	-
Total LCR/G Budget Amendments		(6,176)	28,366	22,190
Total Tax Levy Impact		-	-	-

Note: Capital budget amendments reflect requested investments, it being noted that financing can be accommodated within the capital plan without impacting the tax levy.

- iii. That the following capital budget adjustments only impacting the 2020-2025 forecast period **BE APPROVED** in principle, it being noted the changes to the forecast represent an increase of \$13.1 million.

Capital Budget Amendments - 2020-2025		
Description	2020 - 2025	Total
Information Technology Services Capital Plan Changes - Lifecycle Renewal Rationale: Across the information technology industry, billing is moving to monthly costs per user. This transition reduces capital expenditure requests, but increases operating expenditures. The City of London's upgrade to the client based Office 365 follows this industry pattern resulting in this previously approved capital funding not being required.	(1,060)	(1,060)
Victoria Bridge Replacement - Lifecycle Renewal Rationale: At the June 19, 2018 Civic Works Committee meeting, Council approved the Environmental Study Report to replace Victoria Bridge on Ridout Street over the Thames River. The total project costs are estimated at \$14.1 million (\$10.8 million lifecycle; \$3.3 million growth).	10,840	10,840
Victoria Bridge - Active Transportation - Growth Rationale: At the June 19, 2018 Civic Works Committee meeting, Council approved the Environmental Study Report to replace Victoria Bridge on Ridout Street over the Thames River. The total project costs are estimated at \$14.1 million (\$10.8 million lifecycle; \$3.3 million growth).	3,300	3,300
Total Budget Adjustments	13,080	13,080
Total Tax Levy Impact	-	-

Note: A budget amendment case is not required since these capital project adjustments do not impact the 2016-2019 Multi-Year Budget period.

Other Budget Recommendations

- d) That the reconciliation of the tabled budget to the Public Sector Accounting Board financial statement budget **BE RECEIVED** for information (Appendix F, page 64).
- e) That, in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the following actions be taken with respect to the operating budget (Appendix A, page 29):
 - i. The revised 2019 tax levy **BE READOPTED** in the gross amount of \$XX and in the net amount of \$XX.
- f) That, in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the following actions be taken with respect to the capital budget (Appendix C, page 49):
 - i. The revised 2019 capital budget **BE READOPTED** in the amount of \$XX.
 - ii. The revised 2020-2025 capital forecast **BE APPROVED** in principle in the amount of \$XX.
- g) That the Reserves and Reserve Funds Overview **BE APPROVED**; it being noted projections are subject to annual review and adjustment (Appendix D, page 56).
- h) That Civic Administration **BE DIRECTED** to bring forward any necessary by-laws regarding the operating and capital budgets for introduction at Municipal Council on February 12, 2019.
- i) That the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer and the City Clerk **BE INSTRUCTED** to prepare the 2019 Tax Levy By-law for introduction and enactment by the Municipal Council at the appropriate time.

2016-2019 MULTI-YEAR BUDGET RECAP

ON MARCH 10, 2016, MUNICIPAL COUNCIL APPROVED THE CITY'S FIRST EVER MULTI-YEAR BUDGET COVERING THE PERIOD FROM 2016-2019.

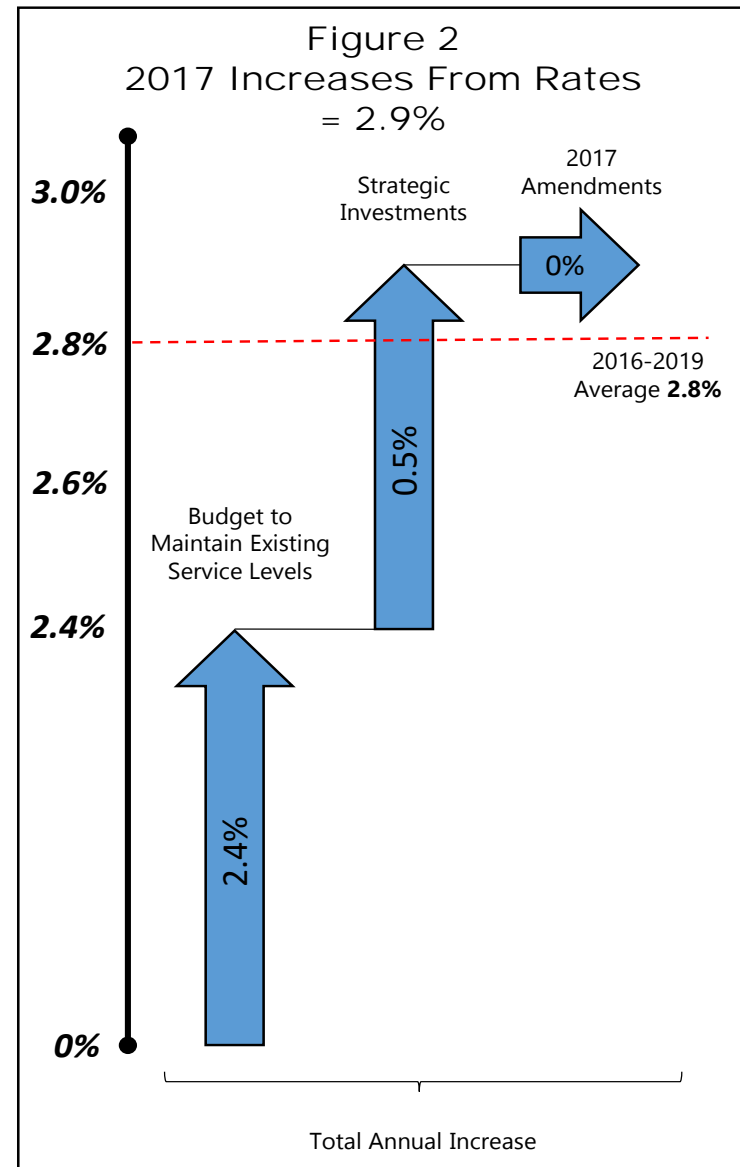
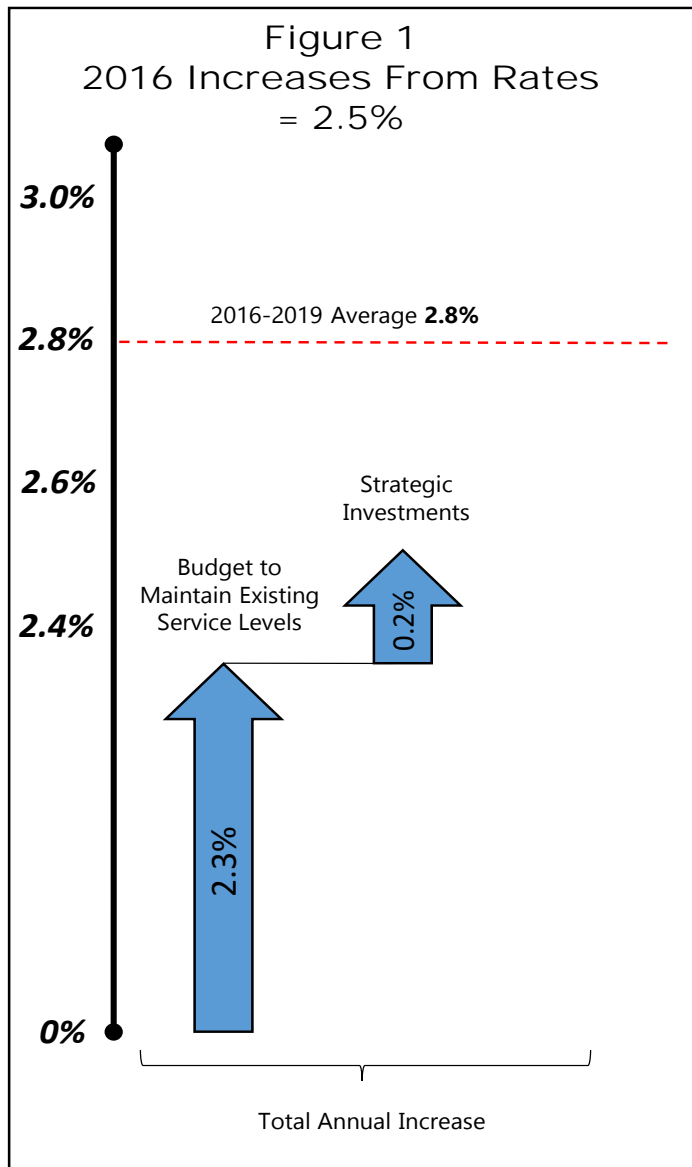
Municipal Council approved an average annual increase from rates of 2.8% for the 2016-2019 Multi-Year Budget. This was composed of a base operating budget average annual increase of 2.4% that was primarily to maintain existing service levels and an additional average annual increase of 0.4% to fund strategic investments. In total, 25 strategic investments with a total gross expenditure of \$47.8 million over the 2016-2019 period were approved.

Throughout the multi-year budget cycle, annual updates and amendments have been brought forward as part of the process. For the 2017 Annual Budget Update, 20 budget amendments were approved with a minimal tax levy increase and maintaining an average increase of 2.8%. The 2018 Annual Budget Update contained 22 approved budget amendments including savings from the phase out of the vacancy tax rebate program and 2018 assessment growth revenue in excess of costs to service growth helped alleviate the tax levy increase pressures. The average annual tax levy increase remained at 2.8% over the 2016-2019 Multi-Year Budget period.

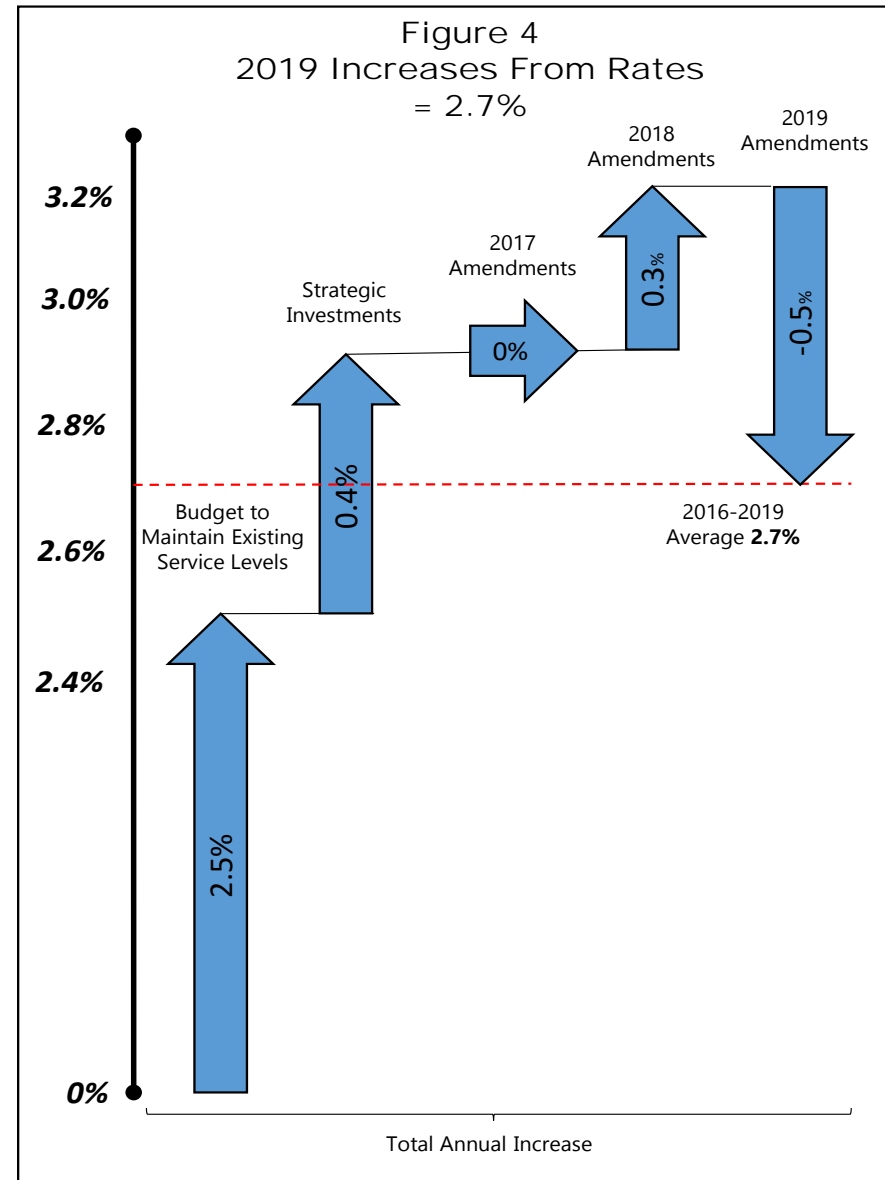
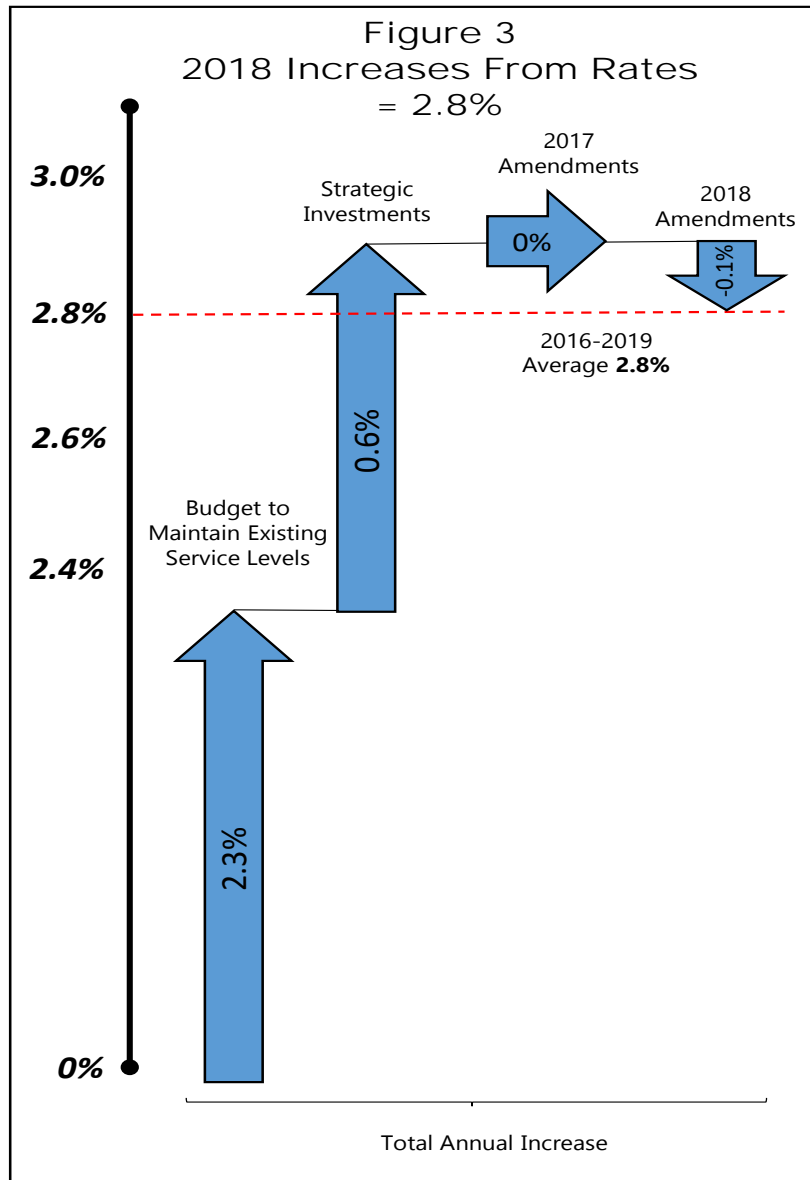
The tabled 2019 Annual Budget Update contains 12 budget amendments that include impacts from all three categories of amendments (changed legislation, cost driver, new Council direction). Taking into account the 2019 amendments, the four year average annual tax levy increase has been reduced from 2.8% to 2.7%.

As the Multi-Year Budget period progresses, the change in annual tax levy for each year has been determined by four major components: budget to maintain existing service levels; impact of strategic investments; flow through impacts of previous years' budget amendments and impact of current year budget amendments. As the City enters the final year of the 2016-2019 Multi-Year Budget period, the 2019 Annual Budget Update is impacted by all four categories. Appendix H contains a detailed and itemized breakdown of the strategic investments and budget amendments and their impacts throughout the 2016-2019 Multi-Year Budget.

Figures 1 and 2 illustrate the major components of the 2016 and 2017 tax levy increases.



Figures 3 and 4 illustrate the major components of the 2018 and 2019 tax levy increases.



2019 BUDGET AMENDMENTS

Consistent with the 2017 and 2018 Annual Budget Updates, changes to the final year of the 2016-2019 Multi-Year Budget are being brought forward to provide flexibility to address special events or circumstances that require funding and resource adjustments. Each budget amendment is classified into the following three categories:

1. New or Changed Regulation

A new or changed legislation or regulation with a financial impact to the municipality

2. New Council Direction

A new Council direction that has transpired after the approval of the Multi-Year Budget

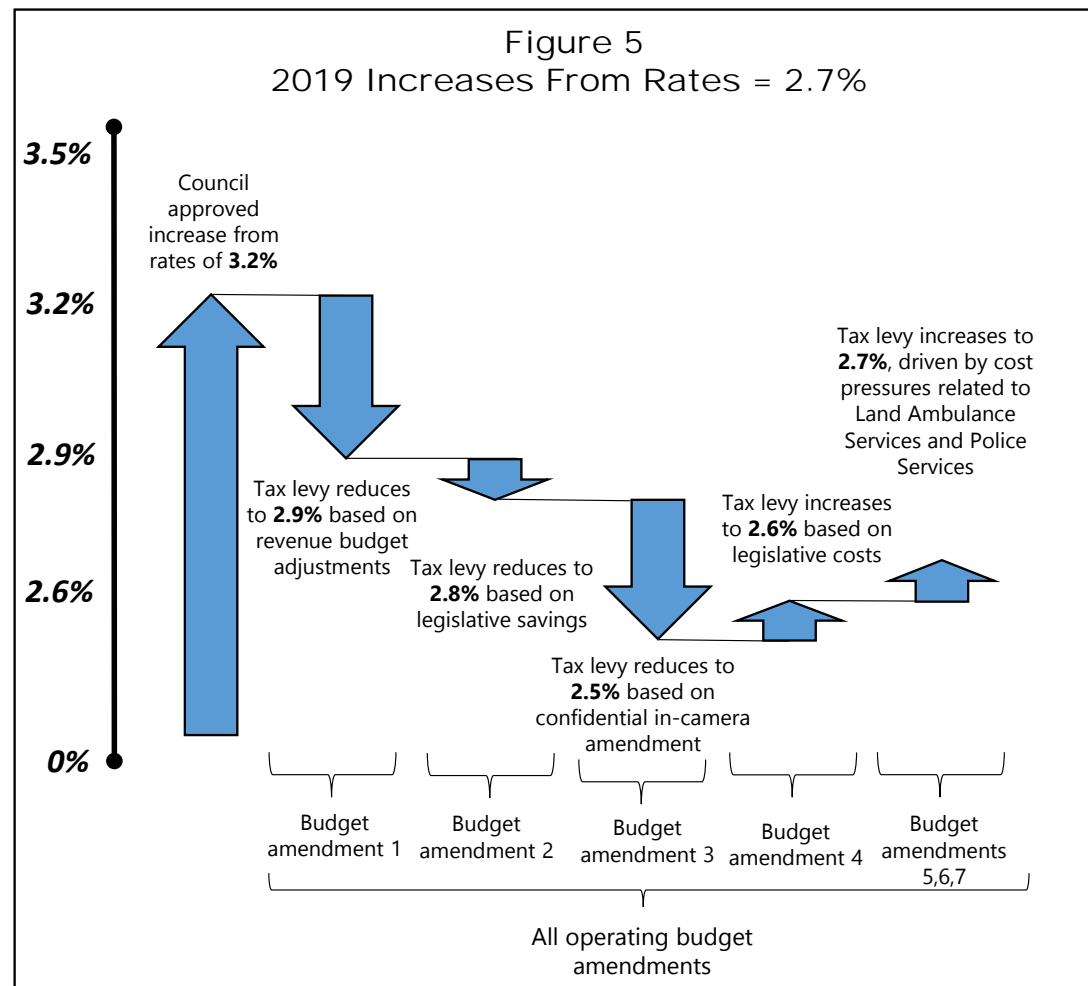
3. Cost or Revenue Driver

A corporate or service area budget adjustment as a result of changes in economic conditions

Each budget amendment that has an impact on the final year of the multi-year budget (2019) is supported by a multi-year budget amendment case that provides Municipal Council with the rationale for the amendment and the financial and staffing impacts.

The budget document contains a total of 12 budget amendments (seven operating, five capital). Of the recommended budget amendments, all of the capital budget amendments can be accommodated within the capital plan resulting in no impact to the tax levy. The operating budget amendments, excluding one, result in an impact to the tax levy.

The most significant changes to the tax levy are related to revenue budget amendments and a confidential “in-camera” matter. These changes bring the 2019 tax levy increase from the previously approved 3.2% down to 2.9% and 2.6% respectively. Two amendments regarding legislative changes (amendments 2 and 4) nearly offset each other resulting in a minimal tax levy impact. Partially offsetting the reductions are amendments 5 and 6 based on increased costs, bringing the tax levy increase to 2.7%. Budget amendment 7 has no impact to the tax levy, if approved by Council. With these amendments, the average annual tax levy increase for the 2016-2019 Multi-Year Budget period has been reduced from the previously approved 2.8% to 2.7%.



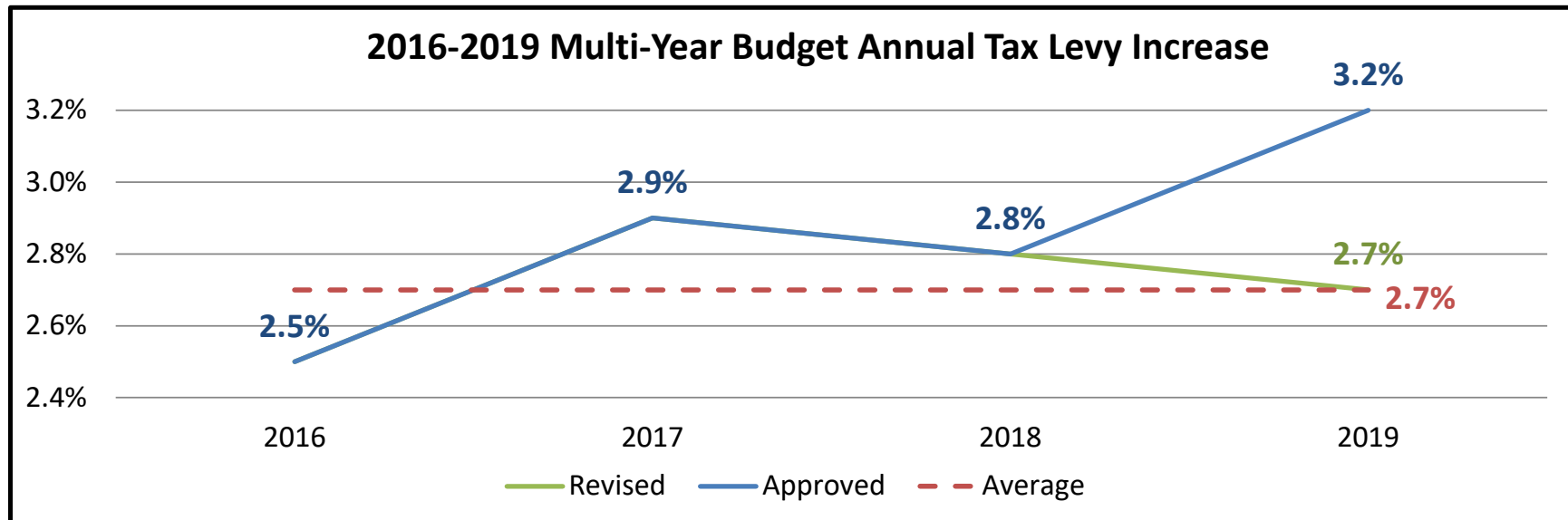
If all 12 budget amendments tabled as part of the 2019 Annual Budget Update are approved by Municipal Council, the average annual tax levy increase from rates for 2016-2019 would decrease from 2.8% to 2.7% as summarized in Table 2:

Table 2 - 2016-2019 Multi-Year Operating Budget
(includes all tabled budget amendments)

2019 Multi-Year Budget Update	Net Budget (\$000's)				Average Annual %	Avg. Annual Rate Payer Impact ¹
	2016	2017	2018	2019		
Approved % Increase From Rates	2.5%	2.9%	2.8%	3.2%	2.8%	\$ 77
Approved Net Budget (Tax Levy)	536,434	556,980	579,532	597,657		
Cumulative Amendment				(2,435)		
Revised Net Budget (Tax Levy)	536,434	556,980	579,532	595,222		
Incremental Net Increase/(Decrease)				(2,435)		
Revised % Increase From Rates	2.5%	2.9%	2.8%	2.7%	2.7%	\$ 74

Subject to rounding

1. Average property owner with an assessed value of \$221,000 in 2015 (excludes the Education tax portion).



Operating Budget Amendments

Recommended	Budget Amendment Case #1 - Revenue Driver	(\$000's)			
	Adjustments to Reduce Tax Levy Increase to 2.9%	2016	2017	2018	2019
	Expenditure Inc/(Dec)	-	-	-	-
	Revenue (Inc)/Dec	-	-	-	(1,072)
	Net Requested Tax Levy (Cumulative)	-	-	-	(1,072)
	Rationale: <ul style="list-style-type: none"> Based on Council direction to reduce the 2019 tax levy increase to 2.9%, past revenue performance and current trends were reviewed through the 2018 service review process and the revenue budget can be increased in the following areas: tipping fees; licensing/ceremony fees; taxation office services fees; parking and court fees; new business licensing; and development services application fees. 				

Recommended	Budget Amendment Case #2 - Changed Regulation	(\$000's)			
	Cancellation of Planned 2019 Minimum Wage Increase	2016	2017	2018	2019
	Expenditure Inc/(Dec)	-	-	-	(573)
	Revenue (Inc)/Dec	-	-	-	52
	Net Requested Tax Levy (Cumulative)	-	-	-	(521)
	Rationale:				
	<ul style="list-style-type: none"> • On November 27, 2017 Bill 148, the <i>Fair Workplaces, Better Jobs Act, 2017</i>, received Royal Assent. Among the various changes to employment standards and labour laws included in this legislation was an increase in the minimum wage in Ontario to: \$14.00/hour effective January 1, 2018 (20.7% increase); and \$15.00/hour effective January 1, 2019 (7.1% increase). • On December 12, 2017, Municipal Council approved the 2018 Annual Budget Update to the 2016-2019 Multi Year Budget. As part of the 2018 Budget Update, Budget Amendment #7 was approved to provide the required funding to support the planned increase in the minimum wage to \$14.00/hour in 2018 and \$15.00/hour in 2019. • On November 21, 2018, Bill 47, <i>Making Ontario Open for Business Act, 2018</i>, received Royal Assent. This legislation includes the cancellation of the planned increase in the minimum wage for 2019; instead the minimum wage will remain at \$14.00/hour. This has the effect of reducing the 2019 budget requirement for the various services affected by the increase in minimum wage legislated by Bill 148. As a result, this budget amendment is proposed to eliminate the incremental funding for 2019 that was approved in 2018 Budget Amendment #7. 				

Recommended	Budget Amendment Case #3 - "In-Camera"	(\$000's)			
	Confidential Matter - "In-Camera"	2016	2017	2018	2019
	Expenditure Inc/(Dec)	-	-	-	(2,000)
	Revenue (Inc)/Dec	-	-	-	-
	Net Requested Tax Levy (Cumulative)	-	-	-	(2,000)
	Rationale:				
	<ul style="list-style-type: none"> • A matter pertaining to labour relations and employee negotiations, advice or recommendations of officers and employees of the Corporation including communications necessary for that purpose, and for the purpose of providing instructions and directions to officers and employees of the Corporation. 				

Recommended	Budget Amendment Case #4 - Changed Regulation	(\$000's)			
	Bicycle Lane Maintenance	2016	2017	2018	2019
	Expenditure Inc/(Dec)	-	-	-	408
	Revenue (Inc)/Dec	-	-	-	-
	Net Requested Tax Levy (Cumulative)	-	-	-	408
	Rationale: <ul style="list-style-type: none"> • On May 3, 2018 Ontario regulation 239/02, Minimum Maintenance Standards for Municipal Highways, was amended and enacted. • The amendments included adding a standard for cycling networks. Bicycle lanes are defined as a portion of the roadway that has been designated by pavement markings or signage for the preferential or exclusive use of cyclists, or a portion of a roadway that has been designated for the exclusive use of cyclists by signage and a physical or marked buffer. • The increased winter maintenance cost for this service includes plowing and snow bank removal approximately five times per season in areas where snow storage is limited. Summer maintenance will include asphalt patching, crack sealing, sweeping, line marking and signing. 				

Recommended	Budget Amendment Case #5 - Cost Driver	(\$000's)			
	Additional Land Ambulance Resources	2016	2017	2018	2019
	Expenditure Inc/(Dec)	-	-	-	1,476
	Proposed Assessment Growth Funding	-	-	-	(886)
	Net Requested Tax Levy (Cumulative)	-	-	-	590
	Rationale: <ul style="list-style-type: none"> • The steady increase in Middlesex-London Paramedic Service call volume primarily within the City of London as well as further investments required to mitigate organizational risk and meet changing Ministry of Health standards and requirements is the driver for this budget amendment. • Higher than originally predicted call volume expected in the 2019 year as well as additional costs required to mitigate operating risks and adhere to new provincial legislative changes cannot be accommodated within the existing budget, noting that the portion of costs related to increased call volume is proposed to be funded through assessment growth funding in accordance with the City's Assessment Growth Policy. 				

Recommended	Budget Amendment Case #6 - Cost Driver	(\$000's)			
	London Police Service - Safeguard Program	2016	2017	2018	2019
	Expenditure Inc/(Dec)	-	-	-	161
	Revenue (Inc)/Dec	-	-	-	-
	Net Requested Tax Levy (Cumulative)	-	-	-	161
	Rationale: <ul style="list-style-type: none"> • A "safeguard" program is a formal, coordinated system of psychological health checks delivered by a mental health professional. • In specialized or high risk areas, psychological supports are available through the Safeguard Program. However, there is no central co-ordination or early identification and intervention that is currently extended across the organization. • The resources for a full time psychologist and administrative support staff will facilitate expansion of the "safeguard" program to include all sworn and civilian members across London Police Service. • The budget request represents half of the total requirement, based on the projected hire dates for the positions. The balance will be reflected in the 2020 London Police Service budget. 				

For Consideration	Budget Amendment Case #7 - New Council Direction	(\$000's)			
	London Children's Museum Funding Request	2016	2017	2018	2019
	Expenditure Inc/(Dec)	-	-	-	2,000
	Revenue (Inc)/Dec	-	-	-	(2,000)
	Net Requested Tax Levy (Cumulative)	-	-	-	-
	<p>Rationale:</p> <ul style="list-style-type: none"> • This amendment is a one-time \$2 million investment in the bold new future of the London Children's Museum. The investment will be a component of a broader \$13.9 million project to support the establishment of a new Children's Museum at 100 Kellogg Lane that will be a state of the art educational and cultural destination for children and families in London. • The total cost of the project is summarized as follows: <ul style="list-style-type: none"> ◦ Leasehold Improvements: \$2.8 million ◦ Design and Fabrication of Exhibits: \$8.8 million ◦ Capital Campaign & Transitional Lease Costs: \$2.3 million ◦ <i>Total Project Cost: \$13.9 million</i> • Grants are being sought from all levels of government in support of the project and private sector donors will raise the remaining funds required. The City of London's one time support will help to leverage funding from other levels of government and private donors. Specifically, the City of London's contribution would be utilized for the design and construction of the new exhibits within the new Children's Museum space. • A sustainability plan has been prepared for the new Children's Museum. Diversified financing including fundraising, debt and social financing, and the use of internal reserves will be required to complete this project. The Children's Museum has embarked on a \$13.9 million capital campaign. Revenue goals are as follows: <ul style="list-style-type: none"> ◦ Public Sector: Government Grants - Fed., Prov. & Municipal - \$6 million (includes \$2 million request from City of London) ◦ Private Sector: Individuals, Corporations, Foundations, Associations & Groups - \$7.9 million ◦ <i>Total Campaign Revenue - \$13.9 million</i> • Strategic use of the Economic Development Reserve Fund in 2019 resulting in no impact to the tax levy may be considered. 				

Capital Budget and Ten Year Capital Plan (Including Capital Amendments)

Capital Budget Summary (\$000's)

	2016-2019 Multi-Year Budget					2020-2025 Forecast	2016-2025 Capital Plan
	2016	2017	2018	2019	Total		
Total Approved Budget ¹	170,744	212,428	166,258	211,558	760,988	1,482,081	2,243,069
Total Revised Budget (submitted December 17, 2018) ¹	170,744	212,428	166,258	205,382	754,812	1,523,527	2,278,339
Total Capital Expense Increase/(Decrease) ²	-	-	-	(6,176)	(6,176)	41,446	35,270
Sources of Financing							
Capital Levy (CL)	-	-	-	-	-	-	-
Debenture (D)	-	-	-	(836)	(836)	13,320	12,484
Reserve Fund (RF)	-	-	-	1,857	1,857	6,879	8,736
Other (O)	-	-	-	15	15	-	15
Non-tax Supported (NTS)	-	-	-	(7,212)	(7,212)	21,247	14,035
Total Revenue Increase/(Decrease)	-	-	-	(6,176)	(6,176)	41,446	35,270
Net Tax Levy Impact	-	-	-	-	-	-	-

Subject to rounding

Notes:

1. 2016 to 2018 capital budgets have decreased from 2018 approved totals as a result of housekeeping budget adjustments related to the Capital Budget Realignment - Bus Rapid Transit report at Corporate Services Committee, June 19, 2018.

2. Includes the recommended budget amendments (8-12) supported by budget amendment cases and 2020-2025 budget adjustments that do not require a budget amendment case since there is no impact to 2016-2019.

Capital Budget by Classification (\$000's)

	2016-2019 Multi-Year Budget					2020-2025	2016-2025
	2016	2017	2018	2019	Total	Forecast	Capital Plan
Lifecycle Renewal Capital Budget							
Lifecycle Renewal Approved Budget	86,942	77,707	75,630	75,650	315,929	541,444	857,373
Lifecycle Renewal Revised Budget ¹	86,942	77,707	75,630	77,557	317,836	548,787	866,623
Increase/(Decrease)	-	-	-	1,907	1,907	7,343	9,250
Growth Capital Budget							
Growth Approved Budget ²	67,998	73,726	57,971	125,873	325,568	755,925	1,081,493
Growth Revised Budget ^{1 2}	67,998	73,726	57,971	117,790	317,485	790,028	1,107,513
Increase/(Decrease)	-	-	-	(8,083)	(8,083)	34,103	26,020
Service Improvement Capital Budget							
Service Improvement Approved Budget	15,804	60,995	32,657	10,035	119,491	184,712	304,203
Service Improvement Revised Budget ¹	15,804	60,995	32,657	10,035	119,491	184,712	304,203
Increase/(Decrease)	-	-	-	-	-	-	-
Total Capital Expense Increase/(Decrease)	-	-	-	(6,176)	(6,176)	41,446	35,270

Subject to rounding

Notes:

1. Includes the recommended budget amendments (8-12) supported by budget amendment cases and 2020-2025 budget adjustments that do not require a budget amendment case since there is no impact to 2016-2019.
2. 2016 to 2018 capital budgets have decreased from 2018 approved totals as a result of housekeeping budget adjustments related to the Capital Budget Realignment - Bus Rapid Transit report at Corporate Services Committee, June 19, 2018.

Lifecycle Renewal Capital Budget (\$000's)

	2016-2019 Multi-Year Budget					2020-2025 Forecast	2016-2025 Capital Plan
	2016	2017	2018	2019	Total		
Lifecycle Renewal Approved Budget	86,942	77,707	75,630	75,650	315,929	541,444	857,373
Lifecycle Renewal Revised Budget	86,942	77,707	75,630	77,557	317,836	548,787	866,623
Increase/(Decrease)	-	-	-	1,907	1,907	7,343	9,250
Sources of Financing							
Capital Levy (CL)	-	-	-	-	-	505	505
Debenture (D)	-	-	-	-	-	2,368	2,368
Reserve Fund (RF)	-	-	-	1,857	1,857	4,418	6,275
Other (O)	-	-	-	-	-	-	-
Non-tax Supported (NTS)	-	-	-	50	50	52	102
Total Revenue Increase/(Decrease)	-	-	-	1,907	1,907	7,343	9,250
Net Tax Levy Impact	-	-	-	-	-	-	-

Subject to rounding

2016-2019 Multi-Year Budget Amendments (Business Cases Submitted)

	2016-2019 Multi-Year Budget					2020-2025 Forecast	2016-2025 Capital Plan
	2016	2017	2018	2019	Total		
Budget Amendment Case #8							
London Convention Centre - Realign 10 year Capital Plan							
Rationale: Advance timing of roof replacement project to align with other capital project schedules and minimize negative impacts on operations.	-	-	-	1,857	1,857	(2,489)	(632)
Source of Financing: London Convention Centre Reserve Fund				RF		RF	RF
Budget Amendment Case #9							
Covent Garden Market Garage Painting							
Rationale: Additional funding required to extend the useful life of deteriorating concrete in the Covent Garden Market parking garage.	-	-	-	50	50	52	102
Source of Financing: Non-Tax Supported (Covent Garden Market Reserve)				NTS		NTS	NTS

Lifecycle Renewal Capital Budget (\$000's) (continued)

	2016-2019 Multi-Year Budget					2020-2025 Forecast	2016-2025 Capital Plan
	2016	2017	2018	2019	Total		
Total 2016-2019 Budget Amendments (Inc/(Dec))	-	-	-	1,907	1,907	(2,437)	(530)
2020-2025 Budget Amendments - Business Cases Not Required (Inc/(Dec))						9,780	9,780
Total Lifecycle Renewal Budget Amendments (Inc/(Dec))	-	-	-	1,907	1,907	7,343	9,250

2020-2025 Budget Amendments (Business Cases Not Required)

	2020	2021	2022	2023	2024	2025	Total
Information Technology Services Capital Plan Changes Rationale: Across the information technology industry, billing is moving to monthly costs per user. This transition reduces capital expenditure requests, but increases operating expenditures. The City of London's upgrade to the client based Office 365 follows this industry pattern resulting in this previously approved capital funding not being required.	-	220	(1,482)	-	-	202	(1,060)
Source of Financing: Capital Levy, Information Technology Reserve Fund		RF	CL, RF			RF	
Victoria Bridge Replacement Rationale: At the June 19, 2018 Civic Works Committee meeting, Council approved the Environmental Study Report to replace Victoria Bridge on Ridout Street over the Thames River. The total project costs are estimated at \$14.1 million (\$10.8 million lifecycle; \$3.3 million growth).	800	-	10,040	-	-	-	10,840
Source of Financing: Capital Levy, Debt, Infrastructure Gap Reserve Fund	CL		CL, D, RF				
Total Lifecycle Renewal 2020-2025 Budget Amendments (Inc/(Dec))	800	220	8,558	-	-	202	9,780

Growth Capital Budget (\$000's)

	2016-2019 Multi-Year Budget					2020-2025 Forecast	2016-2025 Capital Plan
	2016	2017	2018	2019	Total		
Growth Approved Budget ¹	67,998	73,726	57,971	125,873	325,568	755,925	1,081,493
Growth Revised Budget ¹	67,998	73,726	57,971	117,790	317,485	790,028	1,107,513
Increase/(Decrease)	-	-	-	(8,083)	(8,083)	34,103	26,020
Sources of Financing							
Capital Levy (CL)	-	-	-	-	-	(133)	(133)
Debenture (D)	-	-	-	(836)	(836)	8,580	7,744
Reserve Fund (RF)	-	-	-	-	-	133	133
Other (O)	-	-	-	15	15	-	15
Non-tax Supported (NTS)	-	-	-	(7,262)	(7,262)	25,523	18,261
Total Revenue Increase/(Decrease)	-	-	-	(8,083)	(8,083)	34,103	26,020
Net Tax Levy Impact	-	-	-	-	-	-	-

Subject to rounding

Notes:

1. 2016 to 2018 capital budgets have decreased from 2018 approved totals as a result of housekeeping budget adjustments related to the Capital Budget Realignment - Bus Rapid Transit report at Corporate Services Committee, June 19, 2018.

Growth Capital Budget (\$000's) (continued)

2016-2019 Multi-Year Budget Amendments (Business Cases Submitted)

	2016-2019 Multi-Year Budget					2020-2025 Forecast	2016-2025 Capital Plan
	2016	2017	2018	2019	Total		
Budget Amendment Case #10							
Masonville Transit Village Secondary Plan Rationale: The 2014 Development Charges Background Study provides funding for studies and projects to support future growth and development of the City. Rapid Transit Village Secondary Plans were identified as an eligible category of studies. This amendment establishes a capital account for the first study under this program that will provide the foundation for future redevelopment of the Masonville Transit Village; the northern terminus of the City's rapid transit system.	-	-	-	75	75	-	75
Source of Financing: Other, Non-Tax Supported				O, NTS			O, NTS
Budget Amendment Case #11							
Project Estimate Updates - Growth Transportation Capital Projects Rationale: Changes to project estimates for transportation growth projects based on results of multiple environmental assessments completed in 2018 (Wharncliffe Rd. widening, Richmond/Fanshawe	-	-	-	(1,325)	(1,325)	23,970	22,645
Source of Financing: Debt, Non-Tax Supported				D, NTS		D, NTS	D, NTS
Budget Amendment Case #12							
Realignment of Growth Transportation Capital Projects Rationale: Changes to the timing of various transportation growth projects resulting in no additional funding requirement to the 10 year capital plan.	-	-	-	(6,833)	(6,833)	6,833	-
Source of Financing: Debt, Non-tax Supported				D, NTS		D, NTS	
Total 2016-2019 Budget Amendments (Inc/(Dec))	-	-	-	(8,083)	(8,083)	30,803	22,720
2020-2025 Budget Amendments - Business Cases Not Required (Inc/(Dec))						3,300	3,300
Total Growth Budget Amendments (Inc/(Dec))	-	-	-	(8,083)	(8,083)	34,103	26,020

Growth Capital Budget (\$000's) (continued)

2020-2025 Budget Amendments (Business Cases Not Required)

	2020	2021	2022	2023	2024	2025	Total
Victoria Bridge - Active Transportation Rationale: At the June 19, 2018 Civic Works Committee meeting, Council approved the Environmental Study Report to replace Victoria Bridge on Ridout Street over the Thames River. The total project costs are estimated at \$14.1 million (\$10.8 million lifecycle; \$3.3 million growth).	-	-	3,300	-	-	-	3,300
Source of Financing: Debt, Non-Tax Supported			D, NTS				D, NTS
Total Growth 2020-2025 Budget Amendments (Inc/(Dec))	-	-	3,300	-	-	-	3,300

Service Improvement Capital Budget (\$000's)

	2016-2019 Multi-Year Budget					2020-2025 ¹ Forecast	2016-2025 Capital Plan
	2016	2017	2018	2019	Total		
Service Improvement Approved Budget	15,804	60,995	32,657	10,035	119,491	184,712	304,203
Service Improvement Revised Budget	15,804	60,995	32,657	10,035	119,491	184,712	304,203
Increase/(Decrease)	-	-	-	-	-	-	-
Sources of Financing							
Capital Levy (CL)	-	-	-	-	-	(372)	(372)
Debenture (D)	-	-	-	-	-	2,372	2,372
Reserve Fund (RF)	-	-	-	-	-	2,328	2,328
Other (O)	-	-	-	-	-	-	-
Non-tax Supported (NTS)	-	-	-	-	-	(4,328)	(4,328)
Total Revenue Increase/(Decrease)	-	-	-	-	-	-	-
Net Tax Levy Impact	-	-	-	-	-	-	-

Subject to rounding

Notes:

1. 2020-2025 forecasted source of financing changes reflect housekeeping budget adjustments which have a net impact of zero on the capital plan.

APPENDIX A

OPERATING BUDGET

OVERVIEW – NET BUDGET

& GROSS EXPENDITURE

BUDGET

2016-2019 OPERATING BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

<i>Operating Budget</i>	2016		2017		2018		2019 ²		2016-2019 Average % Inc/(Dec) ⁴
	Expense	Net	Expense	Net	Expense	Net	Expense ³	Net	
Approved % Increase From Rates		2.5%		2.9%		2.8%		3.2%	2.8%
Approved Budget ¹	840,957	536,434	887,114	556,980	943,535	579,532	948,431	597,657	
Cumulative Amendment							586	(2,435)	
Revised Budget	840,957	536,434	887,114	556,980	943,535	579,532	949,017	595,222	
Revised % Increase From Rates		2.5%		2.9%		2.8%		2.7%	2.7%

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impact of 2019 tabled budget amendments 1 through 6 (recommended) and budget amendment 7 (for consideration).
3. Expense amount reported excludes the expenditure portion of budget amendment #5 - Additional Land Ambulance Resources to Address Service Pressures proposed to be funded from 2019 assessment growth revenue.
4. Represents the average annual 2016-2019 percent increase from rates.

OPERATING BUDGET OVERVIEW: NET BUDGET

2016-2019 OPERATING BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019 Approved Net Budget ¹	2016 Approved Net Budget ¹	2017 Approved Net Budget ¹	2018 Approved Net Budget ¹	2019		2016-2019 Revised Net Budget	2019 Net Budget Inc/(Dec)
					Approved Net Budget ¹	Amended Net Budget ¹		
Culture Services ²	98,711	23,918	24,326	25,036	25,431	25,379	98,659	(52)
Economic Prosperity ²	46,010	11,523	11,592	11,437	11,457	11,452	46,005	(4)
Environmental Services ²	88,034	20,693	21,584	22,505	23,251	22,826	87,608	(425)
Parks, Recreation & Neighbourhood Services ²	136,715	31,979	33,372	35,270	36,093	35,737	136,358	(356)
Planning & Development Services ²	29,536	6,886	6,874	7,723	8,053	7,941	29,424	(112)
Protective Services ²	674,434	159,188	167,139	172,247	175,860	175,978	674,552	118
Social & Health Services ²	267,563	67,829	67,830	65,370	66,534	67,124	268,153	590
Transportation Services ²	271,378	64,056	66,392	69,717	71,213	71,230	271,395	18
Corporate, Operational & Council Services ²	244,554	56,665	61,135	63,553	63,200	62,990	244,344	(210)
Financial Management ²	413,669	93,696	96,736	106,674	116,563	114,563	411,669	(2,000)
PROPERTY TAX LEVY SUPPORTED BUDGET	2,270,603	536,434	556,980	579,532	597,657	595,222	2,268,169	(2,435)

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impact of 2019 budget amendments 1 through 6 (recommended) and budget amendment 7 (for consideration).

2016-2019 OPERATING BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019	2016	2017	2018	2019		2016-2019	2019
	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Amended Net Budget ¹	Revised Net Budget	Net Budget Inc/(Dec)
CULTURE SERVICES								
Centennial Hall ²	659	138	157	173	191	191	659	-
Arts, Culture & Heritage Advisory & Funding	9,081	2,172	2,212	2,334	2,364	2,364	9,081	-
Museum London	6,706	1,635	1,665	1,690	1,716	1,716	6,706	-
Eldon House	1,126	271	279	286	290	290	1,126	-
Heritage	947	185	177	289	296	296	947	-
London Public Library ²	80,192	19,518	19,835	20,264	20,575	20,523	80,140	(52)
TOTAL CULTURE SERVICES	98,711	23,918	24,326	25,036	25,431	25,379	98,659	(52)
ECONOMIC PROSPERITY								
Business Attraction & Retention	34,571	8,747	8,751	8,537	8,537	8,537	34,571	-
Community Improvement / BIA	934	227	232	237	238	238	934	-
London Convention Centre ²	2,481	589	612	637	643	638	2,476	(4)
Tourism London	8,025	1,961	1,998	2,027	2,039	2,039	8,025	-
Covent Garden Market	-	-	-	-	-	-	-	-
TOTAL ECONOMIC PROSPERITY	46,010	11,523	11,592	11,437	11,457	11,452	46,005	(4)

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impacts of budget amendment #2 - Cancellation of Planned 2019 Minimum Wage Increase.

2016-2019 OPERATING BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019	2016	2017	2018	2019		2016-2019	2019
	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Amended Net Budget ¹	Revised Net Budget	Net Budget Inc/(Dec)
ENVIRONMENTAL SERVICES								
Kettle Creek Conservation Authority ²	1,995	436	467	516	576	551	1,970	(25)
Lower Thames Valley Conservation Authority	644	153	158	164	169	169	644	-
Upper Thames River Conservation Authority	13,354	2,926	3,240	3,467	3,720	3,720	13,354	-
Environmental Action Programs & Reporting	3,097	765	776	778	778	778	3,097	-
Garbage Recycling & Composting ³	68,943	16,412	16,942	17,581	18,008	17,608	68,543	(400)
TOTAL ENVIRONMENTAL SERVICES	88,034	20,693	21,584	22,505	23,251	22,826	87,608	(425)
PARKS, RECREATION & NEIGHBOURHOOD SERVICES								
Neighbourhood & Recreation Services ^{2&4}	83,682	19,445	20,277	21,652	22,309	21,952	83,326	(356)
Parks & Urban Forestry	53,033	12,535	13,096	13,618	13,785	13,785	53,033	-
TOTAL PARKS, RECREATION & NEIGHBOURHOOD SERVICES	136,715	31,979	33,372	35,270	36,093	35,737	136,358	(356)
PLANNING & DEVELOPMENT SERVICES								
Building Approvals	(2,834)	(725)	(910)	(605)	(594)	(594)	(2,834)	-
Planning Services	14,560	3,421	3,517	3,622	4,000	4,000	14,560	-
Development Services ³	17,809	4,189	4,267	4,706	4,647	4,535	17,697	(112)
TOTAL PLANNING & DEVELOPMENT SERVICES	29,536	6,886	6,874	7,723	8,053	7,941	29,424	(112)

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impacts of budget amendment #2 - Cancellation of Planned 2019 Minimum Wage Increase.
3. Amounts reported include the impacts of budget amendment #1 - Recommended Adjustments to Achieve Council Direction to Reduce the Tax Levy Increase to 2.9%.
4. Amounts reported include the impacts of budget amendment #7 for consideration - London Children's Museum Funding Request.

2016-2019 OPERATING BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019	2016	2017	2018	2019		2016-2019	2019
	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Amended Net Budget ¹	Revised Net Budget	Net Budget Inc/(Dec)
PROTECTIVE SERVICES								
Animal Services	7,045	1,708	1,740	1,778	1,819	1,819	7,045	-
By-Law Enforcement & Property Standards ²	5,323	1,239	1,314	1,411	1,360	1,335	5,298	(25)
Corporate Security & Emergency Management ³	9,645	2,228	2,377	2,500	2,540	2,522	9,627	(18)
Fire Services	237,545	56,047	59,667	59,625	62,206	62,206	237,545	-
London Police Services ⁴	414,875	97,966	102,042	106,932	107,935	108,096	415,036	161
TOTAL PROTECTIVE SERVICES	674,434	159,188	167,139	172,247	175,860	175,978	674,552	118
SOCIAL & HEALTH SERVICES								
Housing Services	46,753	11,837	11,779	11,606	11,531	11,531	46,753	-
Housing Development Corporation	9,600	2,552	2,481	2,281	2,287	2,287	9,600	-
London & Middlesex Housing Corporation	38,877	8,992	9,501	9,944	10,440	10,440	38,877	-
Long Term Care	20,771	5,030	5,147	5,249	5,346	5,346	20,771	-
Land Ambulance ⁵	57,356	13,219	14,427	14,742	14,967	15,557	57,946	590
Middlesex-London Health Unit	24,380	6,095	6,095	6,095	6,095	6,095	24,380	-
Social & Community Support Services	69,826	20,105	18,401	15,452	15,868	15,868	69,826	-
TOTAL SOCIAL & HEALTH SERVICES	267,563	67,829	67,830	65,370	66,534	67,124	268,153	590

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impacts of budget amendment #1 - Recommended Adjustments to Achieve Council Direction to Reduce the Tax Levy Increase to 2.9%.
3. Amounts reported include the impacts of budget amendment #2 - Cancellation of Planned 2019 Minimum Wage Increase.
4. Amounts reported include the impacts of budget amendment #6 - London Police Service - Safeguard Program.
5. Amounts reported include the impacts of budget amendment #5 - Additional Land Ambulance Resources to Address Service Pressures.

2016-2019 OPERATING BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019	2016	2017	2018	2019		2016-2019	2019
	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Approved Net Budget ¹	Amended Net Budget ¹	Revised Net Budget	Net Budget Inc/(Dec)
TRANSPORTATION SERVICES								
Parking ²	(12,764)	(3,314)	(3,237)	(3,135)	(3,077)	(3,402)	(13,089)	(325)
Public Transit (LTC)	123,029	28,962	29,972	31,782	32,313	32,313	123,029	-
Roadways ^{3&4}	161,113	38,409	39,658	41,070	41,977	42,319	161,456	343
Rapid Transit	-	-	-	-	-	-	-	-
TOTAL TRANSPORTATION SERVICES	271,378	64,056	66,392	69,717	71,213	71,230	271,395	18
CORPORATE, OPERATIONAL & COUNCIL SERVICES								
Corporate Services	216,981	50,462	53,887	56,014	56,618	56,618	216,981	-
Corporate Planning & Administration	9,655	2,517	2,707	2,717	1,713	1,713	9,655	-
Council Services	14,071	3,409	3,440	3,485	3,736	3,736	14,071	-
Public Support Services ²	3,847	276	1,101	1,337	1,133	923	3,637	(210)
TOTAL CORPORATE, OPERATIONAL & COUNCIL SERVICES	244,554	56,665	61,135	63,553	63,200	62,990	244,344	(210)

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impacts of budget amendment #1 - Recommended Adjustments to Achieve Council Direction to Reduce the Tax Levy Increase to 2.9%.
3. Amounts reported include the impacts of budget amendment #2 - Cancellation of Planned 2019 Minimum Wage Increase.
4. Amounts reported include the impacts of budget amendment #4 - Bicycle Lane Maintenance.

2016-2019 OPERATING BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019 Approved Net Budget ¹	2016 Approved Net Budget ¹	2017 Approved Net Budget ¹	2018 Approved Net Budget ¹	2019		2016-2019 Revised Net Budget	2019 Net Budget Inc/(Dec)
					Approved Net Budget ¹	Amended Net Budget ¹		
FINANCIAL MANAGEMENT								
Corporate Financing								
Capital Financing								
Capital Levy	166,498	37,271	40,760	43,660	44,807	44,807	166,498	-
Debt Servicing	152,800	37,575	37,255	38,256	39,715	39,715	152,800	-
Contribution to Capital Reserve Funds	89,740	18,807	21,244	24,244	25,444	25,444	89,740	-
Other Related Financing								
Contingencies ²	65,342	13,613	12,116	16,234	23,378	21,378	63,342	(2,000)
Other Corporate Revenues & Expenditures	(84,676)	(19,513)	(20,575)	(21,778)	(22,809)	(22,809)	(84,676)	-
Finance	23,964	5,943	5,935	6,058	6,028	6,028	23,964	-
TOTAL FINANCIAL MANAGEMENT	413,669	93,696	96,736	106,674	116,563	114,563	411,669	(2,000)

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impacts of budget amendment #3 - Confidential Matter - "In-Camera".

OPERATING BUDGET OVERVIEW: GROSS EXPENDITURE BUDGET

2016-2019 OPERATING EXPENDITURE BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019 Approved Exp. Budget ¹	2016 Approved Exp. Budget ¹	2017 Approved Exp. Budget ¹	2018 Approved Exp. Budget ¹	2019		2016-2019 Revised Exp. Budget	2019 Exp. Budget Inc/(Dec)
					Approved Exp. Budget ¹	Amended Exp. Budget ¹		
Culture Services ²	101,640	24,690	25,075	25,733	26,143	26,076	101,573	(67)
Economic Prosperity ²	46,010	11,523	11,592	11,437	11,457	11,452	46,005	(4)
Environmental Services ²	138,990	32,987	34,281	35,402	36,321	36,296	138,965	(25)
Parks, Recreation & Neighbourhood Services ²	381,451	76,815	91,059	113,424	100,152	101,759	383,058	1,607
Planning & Development Services ²	59,717	13,693	14,364	15,825	15,835	15,835	59,717	-
Protective Services ²	724,261	170,936	179,494	185,184	188,648	188,791	724,404	143
Social & Health Services ²	971,480	232,035	241,206	246,897	251,342	251,932	972,070	590
Transportation Services ²	317,772	74,949	78,026	81,608	83,189	83,532	318,115	343
Corporate, Operational & Council Services ²	302,764	70,758	74,967	79,482	77,558	77,558	302,764	-
Financial Management ²	575,951	132,571	137,051	148,543	157,787	155,787	573,951	(2,000)
PROPERTY TAX LEVY SUPPORTED BUDGET	3,620,037	840,957	887,114	943,535	948,431	949,017	3,620,623	586

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impact of 2019 budget amendments 1 through 6 (recommended) and budget amendment 7 (for consideration).

2016-2019 OPERATING EXPENDITURE BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019	2016	2017	2018	2019		2016-2019	2019
	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Amended Exp. Budget ¹	Revised Exp. Budget	Exp. Budget Inc/(Dec)
CULTURE SERVICES								
Centennial Hall ²	3,232	760	779	830	863	848	3,217	(15)
Arts, Culture & Heritage Advisory & Funding	9,437	2,322	2,339	2,373	2,403	2,403	9,437	-
Museum London	6,706	1,635	1,665	1,690	1,716	1,716	6,706	-
Eldon House	1,126	271	279	286	290	290	1,126	-
Heritage	947	185	177	289	296	296	947	-
London Public Library ²	80,192	19,518	19,835	20,264	20,575	20,523	80,140	(52)
TOTAL CULTURE SERVICES	101,640	24,690	25,075	25,733	26,143	26,076	101,573	(67)
ECONOMIC PROSPERITY								
Business Attraction & Retention	34,571	8,747	8,751	8,537	8,537	8,537	34,571	-
Community Improvement / BIA	934	227	232	237	238	238	934	-
London Convention Centre ²	2,481	589	612	637	643	638	2,476	(4)
Tourism London	8,025	1,961	1,998	2,027	2,039	2,039	8,025	-
Covent Garden Market	-	-	-	-	-	-	-	-
TOTAL ECONOMIC PROSPERITY	46,010	11,523	11,592	11,437	11,457	11,452	46,005	(4)

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impacts of budget amendment #2 - Cancellation of Planned 2019 Minimum Wage Increase.

2016-2019 OPERATING EXPENDITURE BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019	2016	2017	2018	2019		2016-2019	2019
	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Amended Exp. Budget ¹	Revised Exp. Budget	Exp. Budget Inc/(Dec)
ENVIRONMENTAL SERVICES								
Kettle Creek Conservation Authority ²	1,995	436	467	516	576	551	1,970	(25)
Lower Thames Valley Conservation Authority	644	153	158	164	169	169	644	-
Upper Thames River Conservation Authority	13,354	2,926	3,240	3,467	3,720	3,720	13,354	-
Environmental Action Programs & Reporting	3,589	883	898	902	906	906	3,589	-
Garbage Recycling & Composting ³	119,408	28,587	29,517	30,353	30,950	30,950	119,408	-
TOTAL ENVIRONMENTAL SERVICES	138,990	32,987	34,281	35,402	36,321	36,296	138,965	(25)
PARKS, RECREATION & NEIGHBOURHOOD SERVICES								
Neighbourhood & Recreation Services ^{2&4}	328,213	64,229	77,913	99,755	86,316	87,923	329,820	1,607
Parks & Urban Forestry	53,238	12,586	13,147	13,669	13,836	13,836	53,238	-
TOTAL PARKS, RECREATION & NEIGHBOURHOOD SERVICES	381,451	76,815	91,059	113,424	100,152	101,759	383,058	1,607
PLANNING & DEVELOPMENT SERVICES								
Building Approvals	22,035	4,897	5,321	6,040	5,778	5,778	22,035	-
Planning Services	15,956	3,726	3,822	4,002	4,405	4,405	15,956	-
Development Services ³	21,727	5,070	5,221	5,784	5,652	5,652	21,727	-
TOTAL PLANNING & DEVELOPMENT SERVICES	59,717	13,693	14,364	15,825	15,835	15,835	59,717	-

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impacts of budget amendment #2 - Cancellation of Planned 2019 Minimum Wage Increase.
3. Amounts reported include the impacts of budget amendment #1 - Recommended Adjustments to Achieve Council Direction to Reduce the Tax Levy Increase to 2.9%.
4. Amounts reported include the impacts of budget amendment #7 for consideration - London Children's Museum Funding Request.

2016-2019 OPERATING EXPENDITURE BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019	2016	2017	2018	2019		2016-2019	2019
	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Amended Exp. Budget ¹	Revised Exp. Budget	Exp. Budget Inc/(Dec)
PROTECTIVE SERVICES								
Animal Services	11,968	2,886	2,971	3,027	3,085	3,085	11,968	-
By-Law Enforcement & Property Standards ²	14,390	3,337	3,571	3,774	3,708	3,708	14,390	-
Corporate Security & Emergency Management ³	9,818	2,270	2,419	2,544	2,585	2,567	9,800	(18)
Fire Services	238,097	56,184	59,804	59,763	62,345	62,345	238,097	-
London Police Services ⁴	449,989	106,260	110,728	116,076	116,925	117,086	450,150	161
TOTAL PROTECTIVE SERVICES	724,261	170,936	179,494	185,184	188,648	188,791	724,404	143
SOCIAL & HEALTH SERVICES								
Housing Services	92,220	23,258	23,436	22,895	22,631	22,631	92,220	-
Housing Development Corporation	9,600	2,552	2,481	2,281	2,287	2,287	9,600	-
London & Middlesex Housing Corporation	39,651	8,992	9,759	10,202	10,698	10,698	39,651	-
Long Term Care	92,434	22,580	22,760	23,485	23,609	23,609	92,434	-
Land Ambulance ⁵	57,356	13,219	14,427	14,742	14,967	15,557	57,946	590
Middlesex-London Health Unit	24,380	6,095	6,095	6,095	6,095	6,095	24,380	-
Social & Community Support Services	655,838	155,339	162,249	167,196	171,055	171,055	655,838	-
TOTAL SOCIAL & HEALTH SERVICES	971,480	232,035	241,206	246,897	251,342	251,932	972,070	590

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impacts of budget amendment #1 - Recommended Adjustments to Achieve Council Direction to Reduce the Tax Levy Increase to 2.9%.
3. Amounts reported include the impacts of budget amendment #2 - Cancellation of Planned 2019 Minimum Wage Increase.
4. Amounts reported include the impacts of budget amendment #6 - London Police Service - Safeguard Program.
5. Amounts reported include the impacts of budget amendment #5 - Additional Land Ambulance Resources to Address Service Pressures, excluding expenditure portion proposed to be funded from 2019 assessment growth revenue.

2016-2019 OPERATING EXPENDITURE BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019	2016	2017	2018	2019		2016-2019	2019
	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Approved Exp. Budget ¹	Amended Exp. Budget ¹	Revised Exp. Budget	Exp. Budget Inc/(Dec)
TRANSPORTATION SERVICES								
Parking ²	10,996	2,625	2,702	2,805	2,864	2,864	10,996	-
Public Transit (LTC)	123,029	28,962	29,972	31,782	32,313	32,313	123,029	-
Roadways ^{3&4}	183,667	43,362	45,352	46,981	47,972	48,314	184,010	343
Rapid Transit	80	-	-	40	40	40	80	-
TOTAL TRANSPORTATION SERVICES	317,772	74,949	78,026	81,608	83,189	83,532	318,115	343
CORPORATE, OPERATIONAL & COUNCIL SERVICES								
Corporate Services	237,999	55,626	59,035	61,324	62,014	62,014	237,999	-
Corporate Planning & Administration	10,282	2,596	2,887	2,900	1,898	1,898	10,282	-
Council Services	16,627	3,481	3,557	5,509	4,079	4,079	16,627	-
Public Support Services ²	37,857	9,055	9,487	9,748	9,566	9,566	37,857	-
TOTAL CORPORATE, OPERATIONAL & COUNCIL SERVICES	302,764	70,758	74,967	79,482	77,558	77,558	302,764	-

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impacts of budget amendment #1 - Recommended Adjustments to Achieve Council Direction to Reduce the Tax Levy Increase to 2.9%.
3. Amounts reported include the impacts of budget amendment #2 - Cancellation of Planned 2019 Minimum Wage Increase.
4. Amounts reported include the impacts of budget amendment #4 - Bicycle Lane Maintenance.

2016-2019 OPERATING EXPENDITURE BUDGET OVERVIEW
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

SERVICE	2016-2019 Approved Exp. Budget ¹	2016 Approved Exp. Budget ¹	2017 Approved Exp. Budget ¹	2018 Approved Exp. Budget ¹	2019		2016-2019 Revised Exp. Budget	2019 Exp. Budget Inc/(Dec)
					Approved Exp. Budget ¹	Amended Exp. Budget ¹		
FINANCIAL MANAGEMENT								
Corporate Financing								
Capital Financing								
Capital Levy	166,498	37,271	40,760	43,660	44,807	44,807	166,498	-
Debt Servicing	152,800	37,575	37,255	38,256	39,715	39,715	152,800	-
Contribution to Capital Reserve Funds	89,740	18,807	21,244	24,244	25,444	25,444	89,740	-
Other Related Financing								
Contingencies ²	65,342	13,613	12,116	16,234	23,378	21,378	63,342	(2,000)
Other Corporate Revenues & Expenditures	68,203	16,916	17,441	17,779	16,067	16,067	68,203	-
Finance	33,367	8,388	8,233	8,370	8,375	8,375	33,367	-
TOTAL FINANCIAL MANAGEMENT	575,951	132,571	137,051	148,543	157,787	155,787	573,951	(2,000)

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Amounts reported include the impacts of budget amendment #3 - Confidential Matter - "In-Camera".

APPENDIX B

STAFFING CHANGES OVERVIEW

2016-2019 STAFFING CHANGES OVERVIEW 2019 ANNUAL BUDGET UPDATE

		Full-Time Employees (FT)				Full-Time Equivalents (FTE)			
Recommended Staffing Changes		2016	2017	2018	2019	2016	2017	2018	2019
Total Approved Staffing ¹		3,676	3,728	3,762	3,767	4,991.3	5,088.2	5,138.6	5,151.6
Amendments	Budget Amendment 5 - Additional Land Ambulance Resources								
	Rationale: These positions are required to meet the steady increase in call volumes for Middlesex-London Paramedic Service, noting that positions pertaining to growth are proposed to be funded through assessment growth funding.	-	-	-	8	-	-	-	8.3
	Budget Amendment 6 - London Police Service Safeguard Program								
	Rationale: A full time psychologist and administrative support staff will facilitate expansion of the “safeguard” program to include all sworn and civilian members across London Police Service.	-	-	-	2	-	-	-	2.0
Cumulative Increase - Amendments		-	-	-	10	-	-	-	10.3

Note 1: Total Approved Staffing numbers include positions approved as part of the 2016-2019 Multi-Year Budget, approved Assessment Growth business cases and housekeeping budget adjustments.

2016-2019 STAFFING CHANGES OVERVIEW (CONTINUED)
2019 ANNUAL BUDGET UPDATE

		Full-Time Employees (FT)				Full-Time Equivalents (FTE)			
<i>Other Staffing Changes</i>		2016	2017	2018	2019	2016	2017	2018	2019
The following staffing changes have been accommodated in the 2016-2019 Multi-Year Budget with no net budget impact:									
Other Staffing Changes	Planning Services								
	Rationale: Planning Services requires an additional position to deliver on a variety of functions relating to community engagement. This additional position will be funded entirely from user fee revenues.	-	-	-	1	-	-	-	1.0
	Development Services²								
	Rationale: These positions, funded through existing budgets and user fee revenues, are required to focus on community engagement, strategic divisional priorities related to improved staff efficiencies, effective policy development and economic benefits associated with more streamlined development approvals processes.	-	-	-	3	-	-	-	2.0
	Human Resources								
	Rationale: This position provides direction and supports the various recruitment activities of the Corporation. Funding for this position was accommodated through a zero based budget review of Human Resources business units.	-	-	-	1	-	-	-	1.0
	Corporate Communications								
	Rationale: Staffing changes funded through existing budgets are required for the following: <ul style="list-style-type: none"> • Graphic design support. Currently this function is outsourced across several services. It is the intent to bring this service in-house in order to gain efficiencies. • Additional support for a central point of contact for media, focusing on ensuring media has access to information and individuals who will help reporters tell their stories. 	-	-	-	2	-	-	-	2.0
Cumulative Increase - Other Staffing Changes		-	-	-	7	-	-	-	6.0
Cumulative Increase - Amendments & Other Staffing Changes		-	-	-	17	-	-	-	16.3
Revised Staffing Total		3,676	3,728	3,762	3,784	4,991.3	5,088.2	5,138.6	5,167.9

Note 2: Increase in Full-Time Employees is greater than increase in Full-Time Equivalents due to a temporary position previously approved as Full-Time Equivalent.

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APPENDIX C

CAPITAL BUDGET OVERVIEW

2016-2019 CAPITAL BUDGET OVERVIEW WITH FORECAST FOR 2020-2025
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

CAPITAL BUDGET BY CLASSIFICATION

Classification	2016 Approved Budget ¹	2017 Approved Budget ¹	2018 Approved Budget ¹	Annual Update	Revised 2016-2019 Budget	2019 Budget Increase/ (Decrease)	2020-2025 Revised Forecast	2020-2025 Budget Increase/ (Decrease)	Total Revised Ten Year Plan
				2019 Amended					
Lifecycle Renewal	86,942	77,707	75,630	77,557	317,836	1,907	548,787	7,343	866,623
Growth ²	67,998	73,726	57,971	117,790	317,485	(8,083)	790,028	34,103	1,107,513
Service Improvement	15,804	60,995	32,657	10,035	119,491	-	184,712	-	304,203
Total Expenditures ^{3&4}	170,744	212,428	166,258	205,382	754,812	(6,176)	1,523,527	41,446	2,278,339

Subject to rounding

Notes:

1. Amounts reported in the 2016 to 2018 Capital Budget include housekeeping budget adjustments.
2. 2016 to 2018 capital budgets have decreased from 2018 approved totals as a result of housekeeping budget adjustments related to the Capital Budget Realignment - Bus Rapid Transit report at Corporate Services Committee, June 19, 2018.
3. Includes the recommended budget amendments (8-12) supported by budget amendment cases and 2020-2025 budget adjustments that do not require a budget amendment case since there is no impact to 2016-2019.
4. The 2016 to 2025 Capital Budget includes Non-TCA expenditures that will not result in the creation of a tangible asset (having physical substance). Non-TCA expenditures are reported annually through the Financial Statement reporting process.

2016-2019 CAPITAL BUDGET OVERVIEW WITH FORECAST FOR 2020-2025
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

CAPITAL BUDGET BY SERVICE PROGRAM

Service Program	2016 Approved Budget ¹	2017 Approved Budget ¹	2018 Approved Budget ¹	Annual Update	Revised 2016-2019 Budget	2019 Budget Increase/ (Decrease)	2020-2025 Revised Forecast	2020-2025 Budget Increase/ (Decrease)	Total Revised Ten Year Plan
				2019 Amended					
Culture Services	4,638	2,800	2,279	6,540	16,257	-	17,662	-	33,919
Economic Prosperity	6,746	6,305	12,345	8,328	33,724	1,907	51,480	(2,437)	85,204
Environmental Services	6,248	2,415	5,934	1,655	16,252	-	64,730	-	80,982
Parks, Recreation & Neighbourhood Services	42,881	29,461	31,397	24,528	128,267	-	96,361	-	224,628
Planning & Development Services	2,328	1,569	212	730	4,839	75	4,125	-	8,964
Protective Services	8,822	4,575	4,985	5,649	24,031	-	99,001	-	123,032
Social & Health Services	2,608	5,108	3,575	3,758	15,049	-	22,098	-	37,147
Transportation Services ²	84,820	144,119	91,980	142,027	462,946	(8,158)	1,089,213	44,943	1,552,159
Corporate, Operational & Council Services & Financial Management	11,653	16,076	13,551	12,167	53,447	-	78,857	(1,060)	132,304
Total Expenditures ^{3&4}	170,744	212,428	166,258	205,382	754,812	(6,176)	1,523,527	41,446	2,278,339

Subject to rounding

Notes:

1. Amounts reported in the 2016 to 2018 Capital Budget include housekeeping budget adjustments.
2. 2016 to 2018 capital budgets have decreased from 2018 approved totals as a result of housekeeping budget adjustments related to the Capital Budget Realignment - Bus Rapid Transit report at Corporate Services Committee, June 19, 2018.
3. Includes the recommended budget amendments (8-12) supported by budget amendment cases and 2020-2025 budget adjustments that do not require a budget amendment case since there is no impact to 2016-2019.
4. The 2016 to 2025 Capital Budget includes Non-TCA expenditures that will not result in the creation of a tangible asset (having physical substance). Non-TCA expenditures are reported annually through the Financial Statement reporting process.

2016-2019 CAPITAL BUDGET OVERVIEW WITH FORECAST FOR 2020-2025
2019 ANNUAL BUDGET UPDATE (AS RECOMMENDED)
(\$000's)

CAPITAL BUDGET BY SOURCE OF FINANCING

Source of Financing	2016 Approved Budget ¹	2017 Approved Budget ¹	2018 Approved Budget ¹	Annual Update 2019 Amended	Revised 2016-2019 Budget	2019 Budget Increase/ (Decrease)	2020-2025 Revised Forecast	2020-2025 Budget Increase/ (Decrease)	Total Revised Ten Year Plan
Tax Supported									
Capital Levy	34,841	37,229	34,654	42,551	149,275	-	299,994	-	449,269
Debenture	33,913	40,159	18,071	27,287	119,430	(836)	169,914	9,320	289,344
Reserve Fund	31,169	25,094	28,849	29,740	114,852	1,857	213,993	2,223	328,845
Other	834	10,027	3,015	427	14,303	15	5,531	-	19,834
Sub-total Tax Supported	100,757	112,509	84,589	100,005	397,860	1,036	689,432	11,543	1,087,292
Non-Tax Supported									
Debenture ²	15,537	27,127	(13,942)	3,977	32,699	(7,590)	144,870	(10,089)	177,569
Reserve Fund ²	24,644	26,612	42,112	56,685	150,053	328	230,558	33,212	380,611
Federal Gas Tax	16,479	12,691	16,721	15,222	61,113	-	106,578	4,328	167,691
Provincial Grants	2,070	27,110	11,572	3,047	43,799	-	15,243	-	59,042
Senior Government	982	1,432	2,371	24,336	29,121	-	327,931	-	357,052
Other	10,275	4,947	22,835	2,110	40,167	50	8,915	2,452	49,082
Sub-total Non-Tax Supported ³	69,987	99,919	81,669	105,377	356,952	(7,212)	834,095	29,903	1,191,047
Total Sources of Financing ⁴	170,744	212,428	166,258	205,382	754,812	(6,176)	1,523,527	41,446	2,278,339

Subject to rounding

Notes:

1. Amounts reported in the 2016 to 2018 Capital Budget include housekeeping budget adjustments.
2. The 2018 negative amount of debenture financing is a result of housekeeping budget adjustments which transferred previously approved growth debenture financing to City Services Reserve Funds (CSRFs) financing. Adjustments such as these are made periodically based on the affordability within CSRFs balances.
3. 2016 to 2018 capital budgets have decreased from 2018 approved totals as a result of housekeeping budget adjustments related to the Capital Budget Realignment - Bus Rapid Transit report at Corporate Services Committee, June 19, 2018.
4. Includes the recommended budget amendments (8-12) supported by budget amendment cases and 2020-2025 budget adjustments that do not require a budget amendment case since there is no impact to 2016-2019.

2026-2028 CAPITAL BUDGET FORECAST
2019 ANNUAL BUDGET UPDATE
(\$000's)

Classification / Source of Financing	2026 Forecast	2027 Forecast	2028 Forecast	2019-2028 Rolling Capital Plan
CAPITAL BUDGET BY CLASSIFICATION				
Lifecycle Renewal	96,410	95,981	109,793	928,528
Growth	64,102	42,528	31,733	1,046,181
Service Improvement	24,050	29,050	4,050	251,897
Total Expenditures	184,562	167,559	145,576	2,226,606
CAPITAL BUDGET BY SOURCE OF FINANCING				
Tax Supported				
Capital Levy	57,447	59,575	61,703	521,270
Debenture	22,354	22,584	12,297	254,436
Reserve Fund	29,322	29,600	27,261	329,916
Other	22	14	-	5,994
Sub-total Tax Supported	109,145	111,773	101,261	1,111,616
Non-Tax Supported				
Debenture	25,136	10,812	11,519	196,314
Reserve Fund	29,124	22,411	16,325	355,103
Federal Gas Tax	13,849	19,005	13,850	168,504
Provincial Grants	2,606	2,606	2,606	26,108
Senior Government	4,687	937	-	357,891
Other	15	15	15	11,070
Sub-total Non-Tax Supported	75,417	55,786	44,315	1,114,990
Total Sources of Financing	184,562	167,559	145,576	2,226,606

Subject to rounding

2026-2028 CAPITAL BUDGET FORECAST
2019 ANNUAL BUDGET UPDATE
(\$000's)

The following section highlights major capital works contained within the 2026-2028 periods of the rolling 10 year capital plan:

Major Capital Works In 2026-2028	2026 Forecast	2027 Forecast	2028 Forecast
LIFECYCLE RENEWAL			
Recreation Facilities - Lifecycle Renewal Program	3,600	3,600	3,600
Fire Vehicle Replacement Program	3,681	15	-
Bus Replacement Program	9,455	9,455	9,455
Annual Road Repair Program - Arterial Roads and Secondary Collector Streets	27,051	27,524	28,002
Traffic Signal and Street Light Maintenance	8,147	8,395	8,642
GROWTH			
Huron Street Widening (Highbury to Clarke)	13,275	-	-
Colonel Talbot Rd. Reconstruction (300 meters South of Southdale to Kilbourne)	8,905	-	-
Sanatorium Rd. Widening (Riverside to Commissioners)	12,134	-	-
Southdale Rd. West Widening (Colonel Talbot to Farnham)	13,754	-	-
Adelaide Street Improvements (Fanshawe Park to Hamilton)	-	16,894	-
Wonderland Rd Widening (Sunningdale to Fanshawe)	-	9,023	-
Veterans Memorial Parkway Widening (Oxford to Huron)	-	-	7,070
Wonderland Rd Widening (Hwy 401 to Hwy 402)	759	-	12,798
SERVICE IMPROVEMENT			
London Police Service Facility Expansion	20,000	20,000	-
Public Housing Regeneration	1,000	1,000	1,000
Urban Forest Strategy	1,600	1,600	1,600

Subject to rounding

RAPID TRANSIT CAPITAL BUDGET

On April 23, 2018, the Strategic Priorities & Policy Committee received a report on the Bus Rapid Transit project which included a revised project schedule. This schedule was different from the project schedule supporting the current budget. On June 19, 2018, the Corporate Services Committee received a report to realign the timing in the current budget with the timing in the revised project schedule. The \$500 million project budget remained the same, just shifted to future periods. The budget realignment was achieved through housekeeping budget adjustments and was presented to Municipal Council for information purposes. The tables below provide information on the impact of the Rapid Transit capital budget realignment.

Table 1 - Expenditure Changes by Year

Expenditures \$000's	Life-to-date Approved Projected										Total Approved & Projected Budget
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
Current Budget	147,761	17,584	30,135	131,203	85,686	34,231	41,233	4,167	8,000	0	500,000
Realigned Budget	17,975	39,888	111,726	39,350	132,314	75,898	22,050	52,769	6,780	1,250	500,000
Annual Difference	129,786	(22,304)	(81,591)	91,853	(46,628)	(41,667)	19,184	(48,602)	1,220	(1,250)	0

Table 2 - Impact on the 2016-2019 Multi-year Budget

Expenditures and Sources of Financing \$000's	Approved Budget				Adjustments Increase/(Decrease)			Revised Budget			
	2014 - 2015	2016-2019 Multi-Year Budget	2020 - 2026 Forecast	Total	2016-2019 Multi-Year Budget	2020-2026 Forecast	Total	2014 - 2015	2016-2019 Multi-Year Budget	2020 - 2026 Forecast	Total
Total Expenditures	4,700	160,644	334,656	500,000	(107,482)	107,482	-	4,700	53,162	442,138	500,000
Sources of Financing											
Municipal Contribution:											
Capital Levy	648	7,807	3,274	11,729	(6,333)	6,333	-	648	1,474	9,607	11,729
Development Charges	3,385	81,455	33,625	118,465	(65,207)	65,208	-	3,385	16,248	98,833	118,465
Federal/Provincial	667	71,382	297,757	369,806	(35,941)	35,941	-	667	35,441	333,698	369,806
Total Sources of Financing	4,700	160,644	334,656	500,000	(107,482)	107,482	-	4,700	53,162	442,138	500,000

The 2016 – 2019 Multi-Year Budget and ten year capital plan includes a number of projects that together fund a Rapid Transit initiative of \$500 million. The current funding includes a municipal contribution of \$130 million; \$12 million from tax levy and \$118 million from Development Charges.

New provincial legislation on development charges will change the "growth/non-growth split" on the municipal contribution based on the new scale of the project and the service standard (ridership). Preliminary analysis indicates the development charges portion will decrease to \$107 million, increasing the tax supported portion to \$23 million. This change will be reflected in the 2020 budget after the 2019 DC study is approved in spring 2019.

APPENDIX D

RESERVES & RESERVE FUNDS OVERVIEW

2016-2025 RESERVES & RESERVE FUNDS OVERVIEW
2019 ANNUAL BUDGET UPDATE
(\$000's)

Reserves & Reserve Funds Forecast ¹	Actuals		Budget		Forecast					
	2016 ²	2017 ²	2018	2019	2020	2021	2022	2023	2024	2025
Revised Projected Balance - Obligatory Reserve Funds										
City Services: City Services reserve funds are legislated by the Development Charges (DC) Act, 1997, as amended; a separate reserve fund exists for each service upon which a DC is levied; contributions fund future growth related projects.	80,995	110,768	59,612	40,158	34,886	32,186	28,991	31,903	35,316	39,208
Federal Gas Tax: Federal Gas Tax Reserve Fund is maintained under the Agreement for Transfer of Federal Gas Tax Revenues between Canada-Ontario-AMO-City of Toronto made as of June 17, 2005.	28,000	36,547	3,252	2,154	2,193	2,232	2,273	2,314	2,355	2,398
Parkland: Parkland Reserve Fund is legislated by the Planning Act, R.S.O. 1990, as amended; monies standing in the reserve fund represent contributions from developers for payments in lieu of providing parkland and the reserve fund is restricted to supporting related park or other recreational purposes.	2,793	2,600	2,772	3,110	3,554	3,906	4,364	4,731	5,204	5,601
Total Obligatory	111,788	149,915	65,636	45,422	40,633	38,324	35,628	38,948	42,875	47,207

Subject to rounding

Notes:

1. Amounts reported include the recommended 2019 Annual Budget Update amendments and changes made as a result of the Reserve Rationalization Report (September 25, 2018, Corporate Services Committee meeting).
2. Amounts reported for 2016 and 2017 represent actual activity versus budget.

Reserves & Reserve Funds Overview (\$000's) (continued)

Reserves & Reserve Funds Forecast ¹	Actuals		Budget		Forecast					
	2016 ²	2017 ²	2018	2019	2020	2021	2022	2023	2024	2025
Revised Projected Balance - City-Owned Reserve & Reserve Fund Categories										
Capital Asset Renewal & Replacement: Established to provide funding for the repair and maintenance of existing City assets to ensure city-owned assets do not deteriorate over time.	92,093	107,178	81,564	89,432	86,353	101,417	104,929	110,077	118,542	130,871
Capital Asset Growth: Established to provide funding to new capital initiatives while allowing the City to stabilize the cost of purchasing major capital assets by spreading the cost over multiple years.	16,024	25,106	17,128	10,737	13,030	7,418	10,717	6,777	7,461	7,757
Special Projects & New Initiatives: Planned savings within the budget to fund projects or expenses either identified at the time the reserve or reserve fund is set-up or after, which allows the City to save for planned or unanticipated projects or expenses that may arise and do not have another funding source.	140,180	148,337	123,067	128,829	140,216	150,868	157,796	169,257	180,990	194,191
Contingencies/Stabilization & Risk Management: Designed to fund future obligations which are based on calculated estimates and to mitigate unforeseen events or one-time unanticipated expenses.	136,455	154,704	144,799	145,692	144,106	148,494	150,812	155,376	160,390	165,526
Total City-Owned	384,752	435,325	366,558	374,690	383,705	408,197	424,254	441,487	467,383	498,345

Subject to rounding

Notes:

1. Amounts reported include the recommended 2019 Annual Budget Update amendments and changes made as a result of the Reserve Rationalization Report (September 25, 2018, Corporate Services Committee meeting).
2. Amounts reported for 2016 and 2017 represent actual activity versus budget.

Reserves & Reserve Funds Detail (\$000's)

Capital Asset Renewal & Replacement ¹	Actuals		Budget		Forecast					
	2016 ²	2017 ²	2018	2019	2020	2021	2022	2023	2024	2025
Revised Projected Balance										
City Facilities Reserve Fund	31,019	37,300	30,086	36,032	40,802	47,429	51,487	57,895	61,972	68,127
Capital Infrastructure Gap Reserve Fund	1,728	2,758	3,453	4,865	6,588	9,029	7,606	10,947	14,462	18,153
Social Housing Major Repairs Reserve Fund	8,244	8,603	8,883	9,288	9,959	10,643	11,339	12,048	12,769	13,503
Public Housing Major Upgrades Reserve Fund	2,453	3,275	1,577	1,681	2,216	2,760	3,315	3,879	4,453	5,038
Sanitary Landfill Site Reserve Fund	11,935	14,792	13,327	15,768	4,318	7,495	10,881	4,334	7,658	11,518
All other Capital Asset Renewal & Replacement Reserve Funds	36,714	40,450	24,238	21,798	22,470	24,061	20,301	20,974	17,228	14,532
Capital Asset Renewal & Replacement Total ³	92,093	107,178	81,564	89,432	86,353	101,417	104,929	110,077	118,542	130,871

Subject to rounding

Notes:

1. Amounts reported include the recommended 2019 Annual Budget Update amendments and changes made as a result of the Reserve Rationalization Report (September 25, 2018, Corporate Services Committee meeting).
2. Amounts reported for 2016 and 2017 represent actual activity versus budget.
3. The increase in capital asset renewal and replacement reserve fund balances is primarily attributable to savings aimed at managing the City's forecasted \$466.1 million 10 year infrastructure gap as first reported in the *State of Infrastructure Report 2013*. As part of the 2020-2023 Multi-Year Budget development, Civic Administration will incorporate the results of the 2018 Corporate Asset Management Plan (AMP) into the 10 year capital plan, which will in turn impact the projected drawdowns of various capital asset renewal and replacement reserve

Capital Asset Growth ¹	Actuals		Budget		Forecast					
	2016 ²	2017 ²	2018	2019	2020	2021	2022	2023	2024	2025
Revised Projected Balance										
Industrial Land Reserve Fund	6,768	12,793	11,496	6,083	8,042	5,677	7,069	5,565	5,224	4,448
DC Incentive Program Reserve Funds	5,022	8,227	4,860	3,800	4,117	851	2,738	282	1,285	2,306
All other Capital Asset Growth Reserve Funds	4,234	4,086	772	854	871	890	910	930	952	1,003
Capital Asset Growth Total ³	16,024	25,106	17,128	10,737	13,030	7,418	10,717	6,777	7,461	7,757

Subject to rounding

Notes:

1. Amounts reported include the recommended 2019 Annual Budget Update amendments and changes made as a result of the Reserve Rationalization Report (September 25, 2018, Corporate Services Committee meeting).
2. Amounts reported for 2016 and 2017 represent actual activity versus budget.
3. The projected ending balances of capital asset growth reserve funds are decreasing as a result of the Council approved Service Review of Community Improvement Plan Incentives Report (April 24, 2017, Planning & Environment Committee meeting), which resulted in a decrease to the annual tax supported contribution to the Development Charge (DC) Incentive Program Reserve Funds.

Reserves & Reserve Funds Detail (\$000's) (continued)

Special Projects & New Initiatives ¹	Actuals		Budget		Forecast					
	2016 ²	2017 ²	2018	2019	2020	2021	2022	2023	2024	2025
Revised Projected Balance										
Economic Development Reserve Fund	27,561	30,621	13,750	9,264	13,011	16,825	17,176	21,570	25,538	30,561
Operating Efficiency, Effectiveness & Economy Reserve	9,729	11,311	9,967	13,535	16,975	19,847	22,681	24,904	27,126	29,348
PUC Environmental Reserve Fund	71,626	73,113	73,113	73,113	73,113	73,113	73,113	73,113	73,113	73,113
Land Acquisition Reserve Fund	3,071	3,478	5,021	6,000	6,996	8,009	9,042	10,092	11,162	12,251
Community Improvement Plan - Grant & Loan Reserve Funds	4,051	4,727	4,379	7,170	7,489	6,974	7,152	7,359	7,841	8,645
All other Special Projects & New Initiatives Reserves/Reserve Funds	24,142	25,087	16,837	19,747	22,632	26,100	28,632	32,219	36,210	40,273
Special Projects & New Initiatives Total ³	140,180	148,337	123,067	128,829	140,216	150,868	157,796	169,257	180,990	194,191

Subject to rounding

Notes:

1. Amounts reported include the recommended 2019 Annual Budget Update amendments and changes made as a result of the Reserve Rationalization Report (September 25, 2018, Corporate Services Committee meeting).
2. Amounts reported for 2016 and 2017 represent actual activity versus budget.
3. The increase in special projects/new initiatives reserve funds is primarily due to the following:
 - i. The Operating Efficiency, Effectiveness and Economy (EEE) Reserve balance contains forecasted contributions based on past savings realized, but does not forecast future drawdowns unless the investments are Council approved. The reasonability of the balance of this reserve is monitored as per the target established in the Council approved Reserves Rationalization Report (September 25, 2018, Corporate Services Committee meeting). The combined target of this reserve and the Operating Budget Contingency Reserve (OBCR) is equal to two months of the net budget or \$96.6 million for 2018 and the combined projected ending balances of the EEE and OBCR are \$47.1 million for a target shortfall of \$49.5 million.
 - ii. The Economic Development Reserve Fund balance is increasing to ensure the City of London has the flexibility to fund initiatives/projects that support economic development in the City of London, as well as Municipal Council's approved Strategic Plan. Additionally, this reserve fund contains ongoing budgeted contributions, but does not forecast for future drawdowns unless the investments are Council approved. The actual future ending balance is likely to be less than the projected ending balance.
 - iii. The Land Acquisition Reserve Fund balance is increasing to provide for the acquisition of land and property in advance of projected needs and to support operating costs associated with maintaining the land and property until the future use of the land and property is determined by Council. Additionally, this reserve fund contains ongoing budgeted contributions, but does not forecast for future drawdowns unless the investments are Council approved. The actual future ending balance is likely to be less than the projected ending balance.

Reserves & Reserve Funds Detail (\$000's) (continued)

Contingencies/Stabilization & Risk Management ¹	Actuals		Budget		Forecast					
	2016 ²	2017 ²	2018	2019	2020	2021	2022	2023	2024	2025
Revised Projected Balance										
Self Insurance Reserve Fund	10,605	10,529	11,013	12,486	14,050	15,712	17,478	19,355	21,351	23,473
Unfunded Liability Reserve Fund	62,481	70,375	71,034	72,977	74,955	76,969	79,020	81,107	83,232	85,395
Workplace Safety and Insurance Board (WSIB) Reserve Fund	12,565	13,360	13,670	13,830	13,993	14,159	14,328	14,500	14,676	14,854
Operating Budget Contingency Reserve	22,646	30,128	37,092	34,342	28,492	28,492	28,192	28,192	28,192	28,192
All other Contingencies/Stabilization & Risk Management Reserves/Reserve Funds	28,158	30,312	11,990	12,057	12,616	13,162	11,794	12,222	12,939	13,612
Contingencies/Stabilization & Risk Management Total³	136,455	154,704	144,799	145,692	144,106	148,494	150,812	155,376	160,390	165,526

Subject to rounding

Notes:

1. Amounts reported include the recommended 2019 Annual Budget Update amendments and changes made as a result of the Reserve Rationalization Report (September 25, 2018, Corporate Services Committee meeting).

2. Amounts reported for 2016 and 2017 represent actual activity versus budget.

3. Key balances within the contingencies/stabilization and risk management category of reserves and reserve funds are as follows:

- i. The Unfunded Liability Reserve Fund supports post-employment and post-retirement benefits, vacation credits, vested sick leave benefits and landfill closure and post-closure liabilities for which the City previously did not have an identified funding source. The total of these liabilities as of December 31, 2017 are \$154.9 million for personnel related liabilities and \$36.7 million for landfill closure and post-closure liabilities. The balance of the reserve fund is increasing as a result of interest earned on investments as there are no forecasted tax supported contributions. Saving for these expenses provides for intergenerational equity i.e. the matching of annual service delivery costs with current taxpayers revenues to the greatest extent possible.
- ii. The Operating Budget Contingency Reserve (OBCR) covers tax supported budget contingencies to mitigate unforeseen events or one-time unanticipated revenue losses and expenses in order to stabilize the tax rate and contribute to the necessary working funds required for operating expenditures incurred prior to the collection of taxes. The balance of this fund is decreasing due to approved drawdowns for such expenses as Subsidized Transit (\$5 million) and because there are no forecasted tax supported contributions. Furthermore, the reasonability of the balance of this reserve is monitored as per the target established within the Council approved Reserves Rationalization Report (September 25, 2018, Corporate Services Committee meeting). The combined target of this reserve and the Operating Efficiency, Effectiveness & Economy (EEE) Reserve is equal to two months of the net budget or \$96.6 million for 2018 and the combined projected ending balances of the OBCR and EEE are \$47.1 million for a target shortfall of \$49.5 million.
- iii. The Self Insurance Reserve Fund provides funding for the payment of insurance deductibles, adjusting expenses and other insurance related expenses specifically approved by Council. The balance of this fund is increasing due to increases in forecasted insurance deductibles as well as the need to maintain a portion of the fund for other unanticipated insurance related expenses.

APPENDIX E

DEBT OVERVIEW

2016-2019 DEBT OVERVIEW
2019 ANNUAL BUDGET UPDATE
(\$000's)

Debt Servicing Expenditures	Budget				Forecast					
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Approved Budget/Forecast ¹	37,575	37,255	38,256	39,715	40,187	40,966	41,784	42,037	42,037	42,037
Total Budget Amendments										
Revised Budget	37,575	37,255	38,256	39,715	40,187	40,966	41,784	42,037	42,037	42,037
Revised Budget - Other Corporate ²	25,375	26,646	27,031	28,584	32,578	37,054	36,437	36,586	35,692	37,455
Revised Budget - Total Corporate	62,950	63,901	65,287	68,299	72,765	78,020	78,222	78,623	77,729	79,492

Potential Debt Levels (Issued + Authorized)	Budget				Forecast					
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revised Budget¹	270,673	275,566	260,684	257,539	268,342	261,252	248,787	245,710	244,511	253,714
Revised Budget - Other Corporate ²	304,992	326,547	303,330	285,514	305,838	313,573	309,567	297,643	275,057	294,087
Revised Budget - Total Corporate	575,665	602,113	564,013	543,053	574,179	574,824	558,355	543,353	519,569	547,801

Subject to rounding

Notes:

1. Amounts reported include housekeeping budget adjustments.
2. Other Corporate includes Wastewater & Treatment, Water and Reserve Fund Supported Budgets.

APPENDIX F

RECONCILIATION OF TABLED BUDGET TO PUBLIC SECTOR ACCOUNTING BOARD FINANCIAL STATEMENT BUDGET

RECONCILIATION OF TABLED BUDGET TO PUBLIC SECTOR ACCOUNTING BOARD FINANCIAL STATEMENT BUDGET

Ontario municipalities must adhere to Public Sector Accounting Board (PSAB) accounting standards and reporting requirements, however, with the introduction of PS1200 in 2009, the Province of Ontario enacted a regulation, Ontario Regulation 284/09, allowing for certain items to be excluded from their budgets, as long as it was disclosed. Typical PSAB items, such as costs related to amortization expense, post-employment benefit expense and solid waste landfill closure and post-closure expense can be excluded, however, the regulation requires that the municipality report to Council on the impact of these excluded costs prior to budget approval.

The regulation requires that the report contain information regarding:

1. An estimate of the change in the accumulated surplus of the municipality to the end of the year resulting from the exclusion of any of those expenses; and
2. An analysis of the estimated impact of the exclusion of any of those expenses on the future tangible capital asset funding requirements of the municipality or local board.

London's 2019 draft Property Tax Supported operating budgets as tabled, exclude the following expenses:

1. Expenses for the amortization of tangible capital assets, estimated to be \$83.1 million for 2019, are excluded. The budget does include reserve fund contributions of \$55.1 million for 2019 and pay as you go contributions of \$45.8 million for 2019 for capital asset additions.
2. The budget does not contain the current year's post-employment benefit expense for early retirement and accrued sick leave, estimated to total \$6.1 million for 2019, for employees that are eligible for these benefits. The Corporation's consolidated liability as at December 31, 2017 was \$154.9 million. Reserve fund balances as of December 31, 2017 of \$20.4 million are available to offset this obligation.
3. The City has a landfill closure and post-closure liability of \$36.7 million, which is not recorded as an expense in the budget. The Sanitary Landfill Reserve Fund, with a balance of \$14.8 million as of December 31, 2017, partially offsets this liability.
4. The City also makes contributions to an additional reserve to offset the liabilities created from the post-employment (point 2 above) and landfill closure and post-closure expenses (point 3 above) depending upon generated surpluses, including personnel cost savings. The balance in this reserve as of December 31, 2017 was \$70.4 million.

If the above items were included in the 2019 budget, the projected annual PSAB surplus would decrease.

Table 1 and Table 2 on the following pages show the 2019 draft Property Tax Supported operating budgets and the 2018 approved revised budget in PSAB format.

**RECONCILIATION OF TABLED BUDGET TO
PUBLIC SECTOR ACCOUNTING BOARD (PSAB)
FINANCIAL STATEMENT BUDGET (\$000's)**

Table 1	2018 Tax Supported Revised Budget	2019 Draft Budget
REVENUES		
Property Tax	579,532	597,657
Property Tax - Proposed budget amendments	-	(2,435)
Government Grants & Subsidies	238,071	226,869
User Fees	46,864	47,767
Municipal Revenues - Other	70,810	71,602
Municipal Revenues - Transfers from Capital	-	-
Municipal Revenues - Transfers from Reserves and Reserve Funds	8,258	7,557
Total Revenues	943,535	949,017
EXPENSES		
Personnel Costs	344,777	356,542
Administrative Expenses	7,077	6,527
Financial Expenses - Other	12,136	11,398
Financial Expenses - Interest & Discount on Long-term Debt	5,717	6,171
Financial Expenses - Debt Principal Repayments	31,455	32,457
Financial Expenses - Transfers to Reserves and Reserve Funds	58,133	55,147
Financial Expenses - Transfers to Capital	44,767	45,807
Purchased Services	201,238	190,473
Materials & Supplies	36,325	37,032
Vehicle & Equipment	23,958	24,258
Transfers	196,238	202,803
Other Expenses	1,462	1,321
Recovered Expenses	(19,748)	(20,919)
Total Expenses	943,535	949,017
NET SURPLUS (DEFICIT)	-	-

**RECONCILIATION OF TABLED BUDGET TO
PUBLIC SECTOR ACCOUNTING BOARD (PSAB)
FINANCIAL STATEMENT BUDGET (\$000's)**

Table 2	2018 Tax Supported PSAB Adjustments	2019 Tax Supported PSAB Adjustments
PROJECTED NET PSAB SURPLUS	72,894	87,812
PSAB REPORTING REQUIREMENTS:		
Addback to revenues:		
Transfers from Capital	-	-
Transfers from Reserves and Reserve Funds	8,258	7,557
Deduct from expenses:		
Transfers to Reserves and Reserve Funds	(58,133)	(55,147)
Transfers to Capital	(44,767)	(45,807)
Debt principal repayments	(31,455)	(32,457)
PSAB adjustments:		
Capital program funding earned in year ⁽¹⁾	(21,934)	(23,290)
Capital projects not resulting in tangible capital assets ⁽²⁾	19,738	30,374
Amortization ⁽³⁾	80,230	83,094
Developer contributions of assumed tangible capital assets ⁽⁴⁾	(14,496)	(12,850)
Loss on disposal of tangible capital assets ⁽⁵⁾	761	913
Obligatory reserve fund deferred revenue earned in year - DC, Gas Tax ⁽⁶⁾	(10,879)	(41,898)
Government Business Enterprises adjustments ⁽⁷⁾	(6,983)	(6,433)
Other	-	-
Landfill liability ⁽⁸⁾	1,752	2,063
Employee future benefit liability ⁽⁹⁾	5,014	6,069
NET SURPLUS (DEFICIT) PER DRAFT BUDGET	-	-

Footnotes and Assumptions

1) Represents capital revenue such as provincial and federal grants and other contributions. Does not include debenture financing, transfers from operating or reserve funds.

Estimate based on 5 year average of actuals from 2013 - 2017.

2) For PSAB purposes, expenses not considered to be part of the cost of a tangible capital asset are expensed as operating expenses although funded through capital. Estimated based on 14.79% of capital expenditure budget, based on 2017 actuals.

3) Represents the annual writedown of the tangible capital assets over the useful life of the asset. Estimated 3.83% annual increase based on 2013 - 2017 actuals.

4) Contributed tangible capital assets are tangible capital assets that become the ownership of the City when a subdivision is assumed by the City. These assets are recognized at fair market value during the year of assumption. These assets are predominantly comprised of roads infrastructure. Estimate based on 5 year average of actuals.

5) When an asset is replaced prior to the end of its useful life, an adjustment must be made to expense the remaining book value. Amount fluctuates from year to year. Estimate based on 5 year average of actuals from 2013 - 2017.

6) Transactions recorded directly to reserve funds must be accounted for through the operating or capital fund. This includes recognition of development charge levies and federal gas tax earned in the year.

7) London Hydro Inc., Fair-City Joint Venture and City-YMCA Joint Venture are considered Government Business Enterprises (GBE). At year end, the City must record the City's share of earnings based on our percentage ownership in each GBE. Estimate based on 5 year average.

8) Represents the annual increase in the estimated future cost of post-closure related to landfills. Estimate based on 5 year average.

9) Represents the annual change in the estimated future costs of employee benefits. Estimate based on 5 year average.

APPENDIX G

TIMETABLE

2019 ANNUAL BUDGET UPDATE TIMETABLE

WHAT	WHERE & WHEN
Tabling of the 2019 Budget Update to the 2016-2019 Multi-Year Budget	December 17, 2018 4:00 pm Strategic Priorities and Policy Committee Council Chambers
Budget Open House Provides an opportunity for Londoners to ask questions and speak in-person with administration.	January 9, 2019 6:00 pm. to 8:00 pm. BMO Centre London 295 Rectory Street
Public Participation Meeting Members of the public are invited to provide input into the 2019 Budget Update for the 2016-2019 Multi-Year Budget. Get involved by submitting your comments prior to the Strategic Priorities and Policy Committee on January 17, 2019, or appear as a delegation. For more information, please call 519-661-CITY (2489) ext. 4599.	January 17, 2019 4:00 pm Strategic Priorities and Policy Committee Council Chambers
2019 Budget Update Review	January 24, 2019 9:30 am and January 28, 2019 at 9:30 am (if needed) Strategic Priorities and Policy Committee Council Chambers
Approval of the 2019 Budget Update to the 2016-2019 Multi-Year Budget	February 12, 2019 4:00 pm Council Council Chambers

APPENDIX H

2016-2019 MULTI-YEAR BUDGET

OPERATING UPDATE

SUMMARY

2016-2019 Multi-Year Operating Budget Update	Total Net Budget ¹ (\$000's)				Average Annual %	Avg. Annual Rate Payer Impact ³
	2016	2017	2018	2019		
2016 Budget to Maintain Existing Service Levels	2.3%	2.4%	2.3%	2.5%	2.4%	\$ 64
2016 Approved Strategic Investments:						
Library's Ten Year Capital Plan	-	-	200	400		
Increased Resource Recovery and Zero Waste	-	-	200	200		
Urban Forest Strategy	200	385	585	485		
Thames Valley Corridor Plan ²	-	24	145	145		
Road Safety Strategy	125	125	125	125		
Rapid Transit Implementation Strategy	-	-	-	-		
State of Infrastructure Report	-	1,000	2,000	3,000		
Garbage Collection - On-board Weighing	-	-	75	75		
Technology - Amanda	150	150	150	150		
Establish Public Engagement as an Area of Focus	25	25	25	25		
Service London Implementation Plan ²	-	637	707	750		
Computerized Maintenance Management System	100	600	700	700		
London Strengthening Neighbourhoods Strategy	-	250	250	250		
Low Income Supports Enhancement	100	100	150	150		
Mental Health Addictions Strategy	-	-	-	-		
London Homeless Prevention Plan	200	400	1,000	1,000		
Winter Maintenance Strategy	143	143	143	143		
Back to the River Project	-	-	-	-		
London's Downtown Plan - Small Scale Projects	-	-	-	100		
Regenerating Public Housing Plan	-	-	250	500		
Dundas Place ²	-	-	561	1,416		
City of London Internship Program	-	120	120	120		
Brownfield Incentives	20	20	20	20		
Green Bin Implementation Funding	-	-	-	-		
Enhanced By-law Enforcement	91	91	91	91		
Total 2016 Strategic Investments \$	1,154	4,070	7,497	9,845		\$ 12
Total 2016 Strategic Investments %	0.2%	0.5%	0.6%	0.4%	0.4%	
2016 Revised % Increase From Rates	2.5%	2.9%	2.9%	2.9%	2.8%	\$ 76

2016-2019 Multi-Year Operating Budget Update	Total Net Budget ¹ (\$000's)				Average Annual %	Avg. Annual Rate Payer Impact ³
	2016	2017	2018	2019		
2017 Approved Budget Amendments:						
Case #1: Cap & Trade	-	-	-	100		
Case #2: Carrying Costs on City Properties	-	300	300	400		
Case #3: Updated Debt Servicing Budget	-	(300)	(300)	(300)		
Case #4: UTRCA Strategic Plan	-	-	-	-		
Case #5: LMHC Building Maintenance	-	-	65	131		
Case #6: Economic Roadmap Implementation	-	-	-	-		
Case #7: HDC - Investment in Affordable Housing	-	-	-	-		
Case #21: Free Transit Children Ages 5 - 12	-	-	-	-		
Total 2017 Budget Amendments \$	-	-	65	331		\$ -
Total 2017 Budget Amendments %	0.0%	0.0%	0.0%	0.0%	0.0%	
2017 Revised % Increase From Rates	2.5%	2.9%	2.9%	2.9%	2.8%	\$ 76
2018 Approved Budget Amendments:						
Case #1: Music Development Office	-	-	-	-		
Case #2: Councillors' Annual Compensation	-	-	-	245		
Case #3: UTRCA Strategic Plan	-	-	182	390		
Case #4: Dundas Place - Ongoing Place Management	-	-	-	375		
Case #5: Elimination of Payment to Stiller Centre	-	-	(224)	(228)		
Case #6: Increased OW Admin Subsidy	-	-	(600)	(600)		
Case #7: Minimum Wage Increases	-	-	1,203	1,724		
Case #8: Confidential Matter	-	-	1,455	2,485		
Case #20: Reduced Rate Transit (Ages 13-17)	-	-	-	-		
Added: Phasing Out Vacancy Tax Rebate	-	-	(895)	(1,810)		
Added: Assessment Growth in Excess of Growth Costs to Reduce Tax Levy	-	-	(1,538)	(1,538)		
Total 2018 Budget Amendments \$	-	-	(418)	1,042		\$ 1
Total 2018 Budget Amendments %	0.0%	0.0%	-0.1%	0.3%	0.0%	
2018 Revised % Increase From Rates	2.5%	2.9%	2.8%	3.2%	2.8%	\$ 77

2016-2019 Multi-Year Operating Budget Update	Total Net Budget ¹ (\$000's)				Average Annual %	Avg. Annual Rate Payer Impact ³
	2016	2017	2018	2019		
2019 Draft Budget Amendments (as tabled):						
Case #1: Adjustments to Reduce Tax Levy Increase to 2.9%	-	-	-	(1,072)		
Case #2: Cancellation of 2019 Minimum Wage Increase	-	-	-	(521)		
Case #3: Confidential Matter - "In-Camera"	-	-	-	(2,000)		
Case #4: Bicycle Lane Maintenance	-	-	-	408		
Case #5: Additional Land Ambulance Resources	-	-	-	590		
Case #6: London Police Service - Safeguard Program	-	-	-	161		
Case #7: London Children's Museum Funding Request	-	-	-	-		
Total 2019 Draft Budget Amendments \$	-	-	-	(2,435)		\$ (3)
Total 2019 Draft Budget Amendments %	0.0%	0.0%	0.0%	-0.5%	-0.1%	
2019 Draft % Increase From Rates	2.5%	2.9%	2.8%	2.7%	2.7%	\$ 74

Subject to rounding

Notes:

1. Strategic Investment and Budget Amendment impacts represent operating and capital levy (property tax) funding only. It does not include funding from reserve/reserve funds, user fees and Provincial subsidies.
2. Includes debt servicing costs.
3. Average property owner with an assessed value of \$221,000 in 2015 (excludes the Education tax portion).