Strategic Priorities and Policy Committee
Report

5th Meeting of the Strategic Priorities and Policy Committee - BUDGET
January 24, 2019


The meeting is called to order at 10:03 AM, with all members present.

1. Disclosures of Pecuniary Interest
   Councillor S. Turner discloses a pecuniary interest with respect to any matter specific to EarlyON funding by indicating that his spouse is an employee of Childreach. Councillor S. Turner further discloses a pecuniary interest with respect to any matter specific to the Middlesex London Health Unit (MLHU), by indicating that the MLHU is his employer.
   Councillor J. Helmer discloses a pecuniary interest in any matters related directly to the National Golf Course Owners Association, by indicating that his father is a member of the Association.
   Councillor P. Van Meerbergen discloses a pecuniary interest in any matters associated with childcare funding, by indicating that his spouse operates a daycare business.
   Councillor A. Hopkins discloses a pecuniary interest in matters that may specifically reference Canadian Union of Public Employees (CUPE) Local 107, by indicating that her son is a member of Local 107.
   Councillor S. Lehman discloses a pecuniary interest the discussion specific to proposed new Business Improvement Area (BIA) funds, by indicating that he is a member of the Downtown BIA.

2. Consent
   2.1 2019 Annual Budget Update - Public Engagement
   Moved by: M. Cassidy
   Seconded by: S. Lewis
   That the following actions be taken with respect to the 2019 Annual Budget Update - Public Engagement:
   a) that, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the staff report dated January 24, 2019 regarding public engagement for the 2019 Multi-Year Budget Update BE RECEIVED for information; and
   b) the verbal update from Councillor J. Morgan and the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, with respect to direction arising from the January 17, 2019 Public Participation Meeting related to the Merrymount Children’s Centre funding request, BE RECEIVED for information.

Recuse: (1): S. Turner

Motion Passed (14 to 0)

3. Scheduled Items

3.1 Budget Overview

Moved by: S. Turner
Seconded by: A. Hopkins

That the attached budget presentation from the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer BE RECEIVED.


Motion Passed (15 to 0)

4. Items for Direction

4.1 Review of Operating Budget Amendments (rounded to the closest $1,000)

That the following actions be taken with respect to the 2019 Annual Budget Update – Operating:

a) the following actions be taken with respect to the following Operating Budget Amendment Cases:

i) Business Cases #1 (Adjustments to Reduce the Tax Levy) - Net Impact $(1,072), #3 (Confidential - Labour Relations) - Net Impact $(2,000), and #5 (Additional Land Ambulance Resources) - Net Impact $590, BE APPROVED;

ii) Business Case #2 (Cancellation of Planned 2019 Minimum wage Increase) - Net Impact $(521), BE APPROVED;

iii) Business Case #4 (Bicycle Lane Maintenance) - Net Impact $408, BE APPROVED;

iv) Business Case #6 (SafeGuard Program - London Police Service) - Net Impact $161, BE APPROVED;

v) Business Case #7 (London Children's Museum - Funding Request) - Net Impact $0, BE APPROVED, including the amended sources of financing for the Case ($1,500,000 – Economic Development Reserve Fund and $500,000 – Tourism Infrastructure Reserve Fund);

vi) Business Case #13 (Subsidized Transit for Seniors) - Net Impact $285, BE APPROVED;

b) the Hamilton Road Business Improvement Area (BIA) BE GIVEN a grant in the amount of $50,000 for 2019 to assist the BIA in their activities; it being noted that this is a 4 km, low assessment area with a 4.9% levy totaling only $70,000; it being further noted that the grant would be funded from the Community Investment Reserve Fund; and,

c) that $330,000 from Assessment Growth revenue BE ALLOCATED to the 2019 Budget in order to off-set the tax levy.
Voting Record:
Moved by: J. Helmer
Seconded by: M. Cassidy
That Operating Budget Amendments included in Business Cases #1 (Adjustments to reduce the Tax Levy), #3 (Confidential - Labour Relations), and #5 (Additional Land Ambulance Resources), BE APPROVED.


Motion Passed (15 to 0)

Moved by: S. Lehman
Seconded by: P. Van Meerbergen
That Operating Budget Amendments included in Case #2 (Cancellation of Planned 2019 Minimum wage Increase), BE APPROVED.

Yeas: (9): Mayor E. Holder, M. van Holst, S. Lewis, M. Cassidy, P. Squire, J. Morgan, S. Lehman, P. Van Meerbergen, and S. Hillier


Motion Passed (9 to 6)

Moved by: A. Hopkins
Seconded by: S. Lewis
That Operating Budget Amendments included in Case #4 (Bicycle Lane Maintenance), BE APPROVED.


Nays: (2): P. Van Meerbergen, and S. Hillier

Absent: (1): Mayor E. Holder

Motion Passed (12 to 2)

Moved by: M. Salih
Seconded by: E. Peloza
That Operating Budget Amendments included in Case #6 (Safeguard Program - London Police Service), BE APPROVED.


Nays: (1): P. Van Meerbergen

Motion Passed (14 to 1)
Moved by: S. Hillier  
Seconded by: S. Lewis  
That Operating Budget Amendments included in Case #7 (London Children's Museum - Funding Request), BE APPROVED, as amended. 

Motion Passed (15 to 0)  

Amendment:  
Moved by: J. Helmer  
Seconded by: S. Turner  
That Operating Budget Amendment - Case #7 (London Children's Museum - Funding Request), BE AMENDED, to revise the source of funding of the Case with $1,500,000 being funded from the Economic Development Reserve Fund, and $500,000 being funded from the Tourism Infrastructure Reserve Fund. 
Nays: (3): S. Lewis, M. Salih, and P. Squire  

Motion Passed (12 to 3)  

Moved by: P. Van Meerbergen  
Seconded by: E. Peloza  
That Business Case #13 Subsidized Transit for Seniors, BE REFERRED to the next multi-year budget process, in order for all transit subsidies and fares to be reviewed in a comprehensive way. 
Yeas: (3): S. Lehman, P. Van Meerbergen, and E. Peloza  

Motion Failed (3 to 12)  

Moved by: M. van Holst  
Seconded by: M. Salih  
That Operating Budget Amendments included in Case #13 (Subsidized Transit for Seniors), BE APPROVED.  
Nays: (2): P. Van Meerbergen, and E. Peloza  

Motion Passed (13 to 2)
Moved by: P. Squire  
Seconded by: M. van Holst  

That the Civic Administration BE DIRECTED to bring forward for Municipal Council’s consideration options that would result in a reduction of the proposed tax levy increase for 2019 to 2.4%; it being noted that Municipal Council will review the said options presented and all other budget matters to determine if it will implement a 2019 tax levy increase of 2.4%.

Yeas: (5): M. van Holst, P. Squire, J. Morgan, P. Van Meerbergen, and S. Hillier  

Motion Failed (5 to 10)

Moved by: M. van Holst  
Seconded by: Mayor E. Holder  

That the Hamilton Road Business Improvement Area (BIA) BE GIVEN a grant of $50,000 for 2019 to assist the BIA in their activities; it being noted that this is a 4km, low assessment area with a 4.9% levy totaling only $70,000; it being further noted that the grant would be funded from the Community Investment Reserve Fund.

Nays: (4): P. Squire, S. Turner, E. Peloza, and A. Kayabaga  
Absent: (1): S. Lehman  

Motion Passed (10 to 4)

Moved by: S. Lewis  
Seconded by: J. Morgan  

That $330,000 from Assessment Growth revenue BE ALLOCATED to the 2019 Budget in order to off-set the tax levy.

Nays: (3): S. Turner, E. Peloza, and A. Kayabaga  

Motion Passed (12 to 3)

Amendment:  

Moved by: P. Van Meerbergen  
Seconded by: S. Lehman  

That the motion to allocate $330,000 from Assessment Growth Revenue to the 2019 Budget BE AMENDED to be $1,000,000 to the 2019 Budget amount.

Yeas: (5): M. van Holst, P. Squire, S. Lehman, P. Van Meerbergen, and S. Hillier  

Motion Failed (5 to 10)
Moved by: A. Hopkins  
Seconded by: P. Van Meerbergen  
Motion to recess the meeting, until 10:00 AM, Monday, January 28, 2019.  

**Motion Passed**  
The Strategic Priorities and Policy Committee recesses at 4:12 PM.
Multi-Year Budget for the City of London
2019 Annual Update
Investing in Our Future

Strategic Priorities & Policy Committee
January 24, 2019

Agenda
- 2019 Annual Budget Update Recap
- Other Budget Matters
  - Subsidized Transit for Seniors
  - Breakdown of Budget Amendment #1
  - Tax Levy Increases by Property Class
- Assessment Growth
- How Do We Compare?
- Recommended Budget Review Approach

2019 Budget Amendment Requests

There are a total of 12 budget amendment cases

Operating Amendments
- There are 7 operating budget amendments
  - 1 does not have an impact on the tax levy
  - 3 result in budget reductions
  - 3 result in budget increases

Capital Amendments
- All 5 of the capital budget amendments can be accommodated within the capital plan
  - No impact to the tax levy
2019 Budget Amendment Requests

| 2016-2019 Multi-Year Operating Budget (includes all tabled budget amendments) |
|---|---|---|---|---|---|---|
| 2019 Multi-Year Budget Update | Net Budget (thousands) | 2016 | 2017 | 2018 | 2019 | Average Annual Rate Change |
| | Approved Net Budget (Tax Levy) | 536,434 | 556,980 | 579,532 | 597,667 | 2.9% |
| | Revised Net Budget (Tax Levy) | 536,434 | 556,980 | 579,532 | 590,222 | 2.8% |
| | Incremental Net Increase/Decrease | 0 | 0 | 0 | 0 | 0 |
| 1. Average property owner with an assessed value of $250,000 in 2015 (excludes the Education tax portion) |

Other Budget Matters

Service Reviews

- 2016-2019 budget has been reduced by $4 million
  - 2016 target of $0.5m: Achieved
  - 2017 target of $1.0m: Achieved
  - 2018 target of $1.1m: Achieved
  - 2019 target of $1.0m: Pending

- Civic Administration has been directed to fill the "gap" through service review initiatives, noting that Civic Service Areas represents less than 50% of the net operating budget.

Subsidized Transit for Seniors

- As directed by Council on December 18, 2018, a budget amendment has been prepared to reinstate discounted seniors bus tickets (Budget Amendment #13)
- Estimated program cost is $285,000 per year
- As this is the reinstatement of a previous program (not a pilot program), tax levy is the recommended permanent source of funding
- If approved, the 2019 and 4 year average tax levy increase would increase from 2.7% to 2.8%
Budget Amendment #1
Revenue Adjustments Categorization

At 2019 Budget tabling on December 17th, Committee requested a further breakdown of Budget Amendment #1:

<table>
<thead>
<tr>
<th>Component</th>
<th>Amount related to experience &amp; budget right-sizing ($000's)</th>
<th>Amount related to new or increased fees in 2019 ($000's)</th>
</tr>
</thead>
<tbody>
<tr>
<td>#1 – Tipping Fee Revenues</td>
<td>$400</td>
<td></td>
</tr>
<tr>
<td>#2 – Licensing &amp; Ceremony Revenues</td>
<td>$10</td>
<td></td>
</tr>
<tr>
<td>#3 – Taxation Revenues</td>
<td>$200</td>
<td></td>
</tr>
<tr>
<td>#4 – Parking &amp; Court Fees</td>
<td>$325</td>
<td></td>
</tr>
<tr>
<td>#5 – Business Licensing</td>
<td>$25</td>
<td></td>
</tr>
<tr>
<td>#6 – Development Services Application Fees</td>
<td></td>
<td>$112</td>
</tr>
<tr>
<td>Total:</td>
<td>$960</td>
<td>$112</td>
</tr>
</tbody>
</table>

TOTAL BUDGET AMENDMENT: $1,072

Tax Levy Increase by Property Class

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget Increase</td>
<td>2.5%</td>
<td>2.9%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

After Tax Policy Approval – Average Tax Increase by Property Class (excluding Education taxes):

<table>
<thead>
<tr>
<th>Property Class</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>2.8%</td>
<td>1.9%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Multi-residential</td>
<td>2.8%</td>
<td>1.9%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Commercial</td>
<td>1.6%</td>
<td>6.9%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Industrial</td>
<td>1.2%</td>
<td>2.5%</td>
<td>2.1%</td>
</tr>
</tbody>
</table>

After Tax Policy Approval – Average Tax Increase by Property Class (including Education taxes):

<table>
<thead>
<tr>
<th>Property Class</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>2.2%</td>
<td>1.1%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Multi-residential</td>
<td>2.7%</td>
<td>1.6%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Commercial</td>
<td>0.7%</td>
<td>6.2%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Industrial</td>
<td>0.3%</td>
<td>1.3%</td>
<td>0.6%</td>
</tr>
</tbody>
</table>

Assessment Growth Overview

Assessment Growth

[Diagrams showing assessment growth]
Assessment Growth Policy

- Civic service areas, boards & commissions that incur costs to provide existing core services to new growth areas are required to submit business cases to the City Treasurer.
- The first available assessment growth funds are applied to business cases approved by the City Treasurer or designate.
- If assessment growth funding exceeds the growth costs in any one budget year, the balance will be applied in that year as follows:
  - 50% to reducing authorized debt on a one-time basis; and,
  - 50% to the Capital Infrastructure Gap Reserve Fund on a one-time basis to mitigate growth in the infrastructure gap.
- If growth costs exceed available assessment growth funding then:
  - Approved business cases will be allocated funding according to the following priority order:
    - Flow through costs for business cases funded through assessment growth in the prior year;
    - services that are unique to those supported through development charges; and,
    - Business cases will be evaluated as to whether the service and/or funding could be deferred to next year and whether significant service disruptions would occur if the service did not receive the current year growth funding.
  - Unfunded business cases will be resubmitted for consideration in the following year.

2019 Assessment Growth

- Assessment growth allocation is a separate process outside of the budget.
- 2019 assessment growth revenue reported to Corporate Services Committee on Jan. 22, 2019 = 1.96%
- 2019 assessment growth allocations will be reported to the Strategic Priorities & Policy Committee on Mar. 4, 2019.

<table>
<thead>
<tr>
<th>($ millions)</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Assessment Growth Revenue - 1.96% Growth</td>
<td>$11.36</td>
</tr>
<tr>
<td>Prior Year Carry-forward</td>
<td>$1.35</td>
</tr>
<tr>
<td>Total Assessment Growth Funding Available</td>
<td>$12.71</td>
</tr>
<tr>
<td>Estimated 2019 Assessment Growth Costs</td>
<td>($10.08)</td>
</tr>
<tr>
<td>Estimated Remaining Assessment Growth Funding</td>
<td>$2.63</td>
</tr>
</tbody>
</table>

Net Municipal Levy per Capita

*Ontario Municipalities Greater Than 100,000 Population (Source: 2018 MMA Study pg 130-131)*
Property Taxes as a Percentage of Household Income

Ontario Municipalities Greater Than 100,000 Population

(Source: 2018 BMA Study, p. 453-455)

Average: 3.2%

Relative Property Taxes

Average Residential

2018 Property Taxes - Residential (average)
(Municipalities with Population over 100,000)

Total residential taxes divided by total number of residential properties. Includes education taxes

Source: 2018 BMA Municipal Study

Relative Property Taxes

Commercial

2018 Property Taxes - Commercial
(Municipalities with Population over 100,000)

For prime location commercial office space, property taxes per sq. ft. of gross leasable area

Source: 2018 BMA Municipal Study

BMA Municipal Study

Relative Property Taxes

- BMA Consulting Inc. includes a comparison of relative property taxes for 12 different property types in the annual Municipal Benchmarking Study. For example:
  - Residential – Single Family Detached Bungalow
  - Residential – 2 Storey
  - Residential – Senior Executive
  - Methodology: Sample of properties matching the criteria for each property class
  - Due to small sample sizes, average residential property taxes viewed as most representative of entire city
**Recommended Budget Review Approach**

- Tax Levy model will enable real-time tracking of the impact of budget decisions
- Review property tax supported operating budget amendments #1-#7 & #13 (seniors transit) (agenda item 4.1)
- Review property tax supported capital budget amendments #8-#12 (agenda item 4.2)
- Review water capital budget amendments #1-#4 (agenda item 4.9)
- Review wastewater & treatment capital budget amendments #5-#10 (agenda item 4.14)
- Approve legislative/housekeeping recommendations (agenda items 4.3-4.8, 4.10-4.13, 4.15-4.18)
Strategic Priorities and Policy Committee

Report

5th Meeting of the Strategic Priorities and Policy Committee (Continued) - BUDGET
January 28, 2019


ABSENT: Mayor E. Holder (Chair)


The meeting is called to order at 10:03 AM.

4. Items for Direction

4.2 Review of Capital Budget Amendments (rounded to the closest $1,000)

That the following actions be taken with respect to the 2019 Annual Budget Update - Capital, Amendment Cases #8 (London Convention Centre - Realign 10 Year Capital Plan) - Net Impact $1,857 (2019), $(2,489) (2020-2025), #9 (Covent Garden Market Garage Painting) - Net Impact $50 (2019), $52 (2020-2025), #10 (Masonville Transit Village Secondary Plan) - Net Impact $75 (2019), #11 (Project Estimate updates - Growth Transportation Capital Projects) - Net Impact $(1,325) (2019), $23,970 (2020-2025) and #12 (Realignment of Growth Transportation Capital Projects) - Net Impact $(6,833) (2019), $6,833 (2020-2025); it being noted that the financing can be accommodated within the capital plan without impacting the tax levy:

a) changes to the 2019 capital budget, Cases #8 to #12, representing a decrease of $6.2 million BE APPROVED;

b) changes to the 2020-2025 forecast period, Cases #8 to #12, representing an increase of $28.4 million BE APPROVED, in principle; and

c) the following capital budget adjustments, only impacting the 2020-2025 forecast period, BE APPROVED, in principle; it being noted that the changes to the forecast represent an increase of $13.1 million:

i) Information Technology Services Capital Plan Changes - Lifecycle Renewal - Net Impact $(1,060); and,

ii) Victoria Bridge Replacement - Lifecycle Renewal - Net Impact $10,840; and,

iii) Victoria Bridge Replacement - Active Transportation - Lifecycle Renewal - Net Impact $3,300.

Motion Passed

Voting Record:

Moved by: J. Helmer
Seconded by: M. van Holst

That Capital Budget Amendments #8 (London Convention Centre - Realign 10 Year Capital Plan), #10 (Masonville Transit Village), #11...
(Project Estimate Updates - Growth Transportation Capital Projects) and #12 (Realignment of Growth Transportation Capital Projects), BE APPROVED.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)

Moved by: S. Lehman
Seconded by: E. Peloza

That Capital Budget Amendment Business Case #9, (Covent Garden Market Garage Painting), BE APPROVED.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)

4.3 Reconciliation of the Tabled Budget

Moved by: M. van Holst
Seconded by: S. Lewis

That the reconciliation of the tabled budget to the Public Sector Accounting Board financial statement budget BE RECEIVED for information.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)

4.4 Operating Budget

That in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the revised 2019 tax levy BE READOPTED in the gross amount of $960,381,425 and in the net amount of $606,536,348.

Motion Passed

Voting Record:

Moved by: S. Lewis
Seconded by: M. Cassidy

That in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the revised 2019 tax levy, for all matters excluding childcare, golf, the Community Grant Program and Middlesex London Health Unit, BE READOPTED in the gross amount of $895,291,972 and in the net amount of $591,432,626.
Nays: (3): M. van Holst, P. Squire, and P. Van Meerbergen
Absent: (1): Mayor E. Holder

Motion Passed (11 to 3)

Moved by: A. Hopkins
Seconded by: M. Cassidy
That in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the revised 2019 tax levy related to childcare BE READOPTED in the gross amount of $52,347,793 and in the net amount of $6,209,761.

Nays: (1): P. Squire
Recuse: (2): P. Van Meerbergen, and S. Turner
Absent: (1): Mayor E. Holder

Motion Passed (11 to 1)

Moved by: S. Turner
Seconded by: M. Cassidy
That in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the revised 2019 tax levy related to golf BE READOPTED in the gross amount of $3,849,601 and in the net amount of $1,902.

Nays: (2): P. Squire, and A. Kayabaga
Recuse: (1): J. Helmer
Absent: (1): Mayor E. Holder

Motion Passed (11 to 2)

Moved by: S. Lewis
Seconded by: M. van Holst
That in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the revised 2019 tax levy related to the Community Grant Program BE READOPTED in the gross amount of $2,797,000 and in the net amount of $2,797,000.

Nays: (1): P. Van Meerbergen
Recuse: (1): S. Turner
Absent: (1): Mayor E. Holder

Motion Passed (12 to 1)
Moved by: J. Helmer  
Seconded by: M. Cassidy  

That in accordance with section 291(4)(c) of the *Municipal Act 2001*, as amended, the revised 2019 tax levy funding for the Middlesex London Health Unit BE READOPTED in the gross amount of $6,095,059 and in the net amount of $6,095,059.

Recuse: (1): S. Turner  
Absent: (1): Mayor E. Holder

**Motion Passed (13 to 0)**

4.5 Capital Budget  
Moved by: J. Helmer  
Seconded by: S. Lewis  

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:

a) the revised 2019 capital budget BE READOPTED in the amount of $205,382,000; and

b) the revised 2020-2025 capital forecast BE APPROVED in principle in the amount of $1,523,527,000.

Nays: (1): P. Van Meerbergen  
Absent: (1): Mayor E. Holder

**Motion Passed (13 to 1)**

4.6 Reserves and Reserve Funds Overview  
Moved by: J. Helmer  
Seconded by: A. Kayabaga  

That the Reserves and Reserve Funds Overview, as outlined in the 2019 Tax Supported Budget document dated December 17, 2018, BE APPROVED; it being noted projections are subject to annual review and adjustment.

Absent: (1): Mayor E. Holder

**Motion Passed (14 to 0)**
4.7 By-laws regarding Operating and Capital Budgets

Moved by: A. Hopkins  
Seconded by: E. Peloza

That the 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.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)

4.8 2019 Tax Levy

Moved by: A. Kayabaga  
Seconded by: M. Cassidy

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.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)

4.9 Water – Review of 2019 Capital Budget Amendments – (rounded to the closest $1,000)

Moved by: S. Hillier  
Seconded by: S. Turner

That the following Capital Budget Amendments - Water, BE APPROVED:

Case #1 – Arva Huron Watermain Environmental Assessment - Net Impact $600 (2019)
Case #2 – New Watermain Pond Mills Road - Net Impact $585 (2019)
Case #3 – Arva Pumping Station Upgrade - Net Impact $332 (2019),$332 (2020-2025)
Case #4 – New Watermain Summercrest Southdale - Net Impact $1,131 (2019), $1,131 (2020-2025);

it being noted that the financing can be accommodated within the capital plan without impacting the Water rates.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)
4.10 Reconciliation of the Tabled Water Budget

Moved by: J. Helmer
Seconded by: S. Lewis

That the reconciliation of the tabled Water budget to the Public Sector Accounting Board financial statement budget BE RECEIVED for information.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)

4.11 Water Operating Budget – Annual Rate Increase (to be confirmed)

Moved by: S. Hillier
Seconded by: M. Cassidy

That in accordance with section 291(4)(c) of the Municipal Act, 2001, the Water Operating budget reflecting an annual rate increase of 3% for the 2019 period BE READOPTED with no net change.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)

4.12 Water Capital Budget

Moved by: M. Cassidy
Seconded by: A. Hopkins

That in accordance with section 291(4)(c) of the Municipal Act, 2001, the following actions be taken with respect to the Water Capital budget:

a) the revised 2019 capital budget BE READOPTED in the amount of $28,302,000; and

b) the revised 2020-2025 capital forecast BE APPROVED in principle in the amount of $231,001,000.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)

4.13 Water Reserves and Reserve Funds Overview

Moved by: S. Lewis
Seconded by: S. Hillier

That the Water Reserves and Reserve Funds Overview, as outlined in the 2019 Water and Wastewater & Treatment Budget document dated
December 17, 2018, BE APPROVED; it being noted projections are subject to annual review and adjustment.


Nays: (1): M. van Holst

Absent: (1): Mayor E. Holder

**Motion Passed (13 to 1)**

4.14 Wastewater & Treatment – Capital Budget Amendments (rounded to the closest $1,000)

Moved by: A. Hopkins
Seconded by: S. Lewis

That the following Capital Wastewater & Treatment Capital Budget Amendments BE APPROVED:

Case #5 – Erosion Remediation in Open Watercourses Management and Reclamation - Net Impact $320 (2019)
Case #6 – Replacement of Equipment Wastewater Treatment Plants -Net Impact $690 (2019)
Case #7 – Dingman Creek and other Stream Remediation - Net Impacts $1,796 (2019), $1,796 (2020-2025)
Case #8 – Dingman Creek Main Channel Remediation Works - Net Impact $(2,300) (2019), $2,300 (2020-2025)
Case #9 – Dingman Creek on-line SWM Facility #2 - Net Impact $(4,290) (2019), $4,290 (2020-2025)
Case #10 – Carling Creek Trunk Storm Sewer Phase IV - Net Impact $(1,350) (2019), $1450 (2020-2025)

Capital Budget Amendments – 2020-2025 – PDC’s Installed with Claimable Remediation Works – Net Impact $(100); and Greenway Wastewater Treatment Plant Flood Proofing and Effluent Pumping Station – Net Impact $6,850;

it being noted that the financing can be accommodated within the capital plan without impacting Wastewater & Treatment rates.


Absent: (1): Mayor E. Holder

**Motion Passed (14 to 0)**

4.15 Reconciliation of the Tabled Wastewater & Treatment Budget

Moved by: M. Cassidy
Seconded by: S. Lehman

That items 4.15 to 4.18, inclusive BE APPROVED, as follows:

4.15 Reconciliation of the Tabled Wastewater & Treatment Budget

That the reconciliation of the tabled Wastewater & Treatment budget to the Public Sector Accounting Board financial statement budget BE RECEIVED for information.
4.16 Wastewater & Treatment Operating Budget - annual Rate Increase (to be confirmed)

That in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the Wastewater & Treatment Operating budget reflecting an annual rate increase of 3% for the 2019 period BE READOPTED with no net change.

4.17 Wastewater & Treatment Capital Budget

That in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the following actions be taken with respect to the Wastewater & Treatment Capital Budget:

a) the revised 2019 capital forecast BE APPROVED in the amount of $43,542,000; and

b) the revised 2020-2025 capital forecast BE APPROVED in principle in the amount of $373,691,000.

4.18 Wastewater & Treatment Reserves and Reserve Funds Overview

That the Wastewater & Treatment Reserves and Reserve Funds Overview, as outlined in the 2019 Water and Wastewater & Treatment Budget document dated December 17, 2018, BE APPROVED; it being noted that the projections are subject to annual review and adjustment.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)

5. Deferred Matters/Additional Business

5.1 ADDED - City Budget 2019 - Recommendations

Moved by: S. Turner  
Seconded by: P. Van Meerbergen

That the communication dated January 15, 2019, from the London Chamber of Commerce, with respect to 2019 Budget recommendations, BE RECEIVED.


Absent: (1): Mayor E. Holder

Motion Passed (14 to 0)

6. Confidential

None.

7. Adjournment

The meeting adjourned at 11:00 AM.