

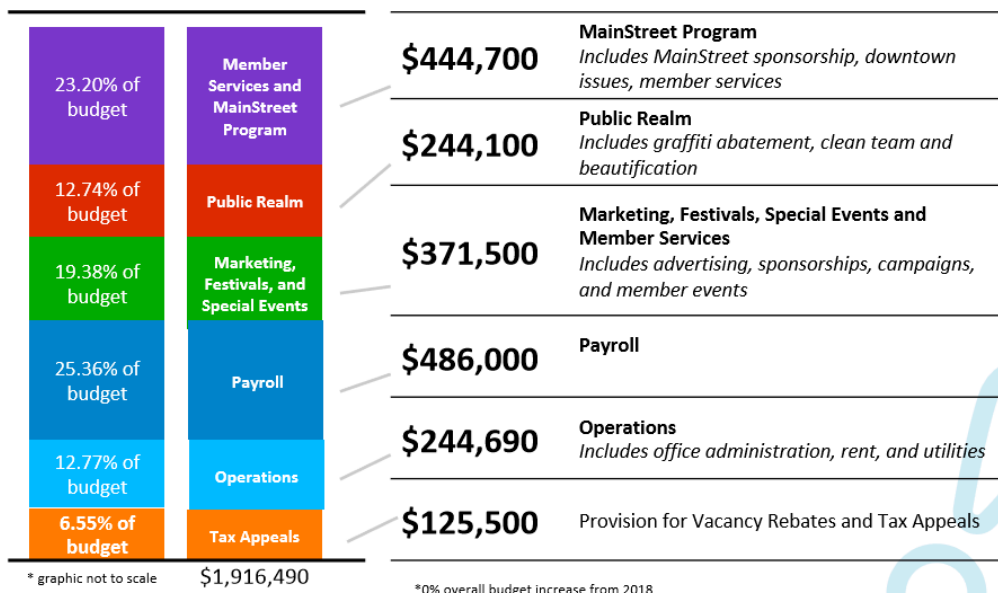
To the Mayor of Corporation of the City of London: City Councillors

Regarding the London Downtown Business Association 2019 Annual Budget approval

The following is a proposal being presented to members of council in a show of good faith that we, the businesses and property owners in the Downtown London Business Association area have a sincere and earnest desire to find a solution to what appears to be an impasse with respect to our rejected LDBA budget.

First it needs to be clarified for all parties, prior to the January 22<sup>nd</sup> Annual General Meeting, there was no pre-distribution of materials, so that members could come prepared / informed and ready to discuss with questions. Most importantly, there was no detailed budget presented to the membership prior or at the AGM. What was presented was a stacked bar graph summary, as opposed to a more granular City of London format. Due to the high level nature of the graph presentation, any form of meaningful and/or nuanced questioning was simply not possible.

## 2019 LDBA Budget Highlights EXPENDITURES



Our membership voted this bar graph down. As recorded minutes of the AGM have never been distributed to the membership, we are unable to confirm the plurality of votes, it being noted that the BIA's internal procedural BY-law at 7.3.3 states:

*The Chair shall declare that a resolution has been carried or not carried, which will be entered into the minutes. It is not necessary to record the number or the proportion of votes.*

As a parallel observation, it should be noted at no time are the LDBA membership ever provided the agenda or minutes of any board meetings, nor are they available on the LDBA web site.

Consequently, the request was made for a more detailed budget document, as is normally distributed to the City of London, and it was delivered to membership via email, on Jan. 24, 2019. The current budget before you for approval was submitted by LDBA Board of Management to the city prior to the end of January, which precluded any membership input. The Board requested feedback, questions, and/or points for clarification to be submitted to them, in writing, by Feb. 1, 2019.

# Business Insider

News and updates that impact your business

January 24, 2019

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## Annual General Meeting

Good day all:

Further to the discussion at our Annual meeting on January 22nd, 2019 below you will find detailed budgets for the London Downtown Business Association in a very detailed table. Also below is the form that the City requires.

We have set up an email address for all of you to forward us any questions which is:

[budgetquestions@downtownlondon.ca](mailto:budgetquestions@downtownlondon.ca).

If you could forward any questions to this email address by Friday February 1st, 2019. For efficiency we will gather all questions and provide answers in a special "Business Insider" as soon as possible. This email address will remain in use for any future questions that may arise.

From this budget detail, a list of questions was prepared and forwarded to the LDBA board on Feb. 8, 2019. The budget questions remained unanswered, and on Feb. 14, 2019 an email from LDBA stated any questions received after their deadline would be submitted to the ad hoc governance review committee. As that committee had their first meeting on March 19, 2019 at 3:00 pm. We are unclear how that deferral was to assist the membership, nor how it was seen as being in the purview of the ad hoc committee?

# Business Insider

News and updates that impact your business

February 14, 2019

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## Answers to Budget Questions

As a follow up to our Business Insider on January 24th, below are the questions we received about the 2019 LDBA Budget.

Further to the discussion at our Annual General Meeting on January 22nd, 2019 we set up an email address for you to forward us any questions.

[budgetquestions@downtownlondon.ca](mailto:budgetquestions@downtownlondon.ca).

We asked that you forward any questions to this email address by Friday February 1st, 2019.

In this time, we received two questions to this email address. Below are the questions and our answers. Any questions that were received after the deadline will be submitted to the ad hoc committee.

On March 14, 2019 an LDBA email (to its members) that addressed the Feb. 8, 2019 budget questionnaire was released, a day after the detailed budget record was made publicly available as a Corporate Services Committee agenda item.

# Business Insider

News and updates that impact your business

March 14, 2019

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## A message from our Board Chair and Treasurer

Dear Downtown London Member,

In an ongoing effort to provide you with openness and transparency please find attached [the responses to your budget questions](#). We continued to collect them until last week and here they are. If you have any questions or require further clarification please continue to send those to:

[budgetquestions@downtownlondon.ca](mailto:budgetquestions@downtownlondon.ca).

Which brings us to our present position, a decision to be made by municipal council to determine the fate of our 2019 LDBA budget, on March 26, 2019?

**Our request and ask of council is to follow the Municipal Act, S.O. 2001,c. 25 which provides some instruction and opportunity of relief.**

**Budget:**

*205 (1) A board of management shall prepare a proposed budget for each fiscal year by the date and in the form required by the municipality and shall hold one or more meetings of the members of the improvement area for discussion of the proposed budget. 2002, c. 17, Sched. A, s. 40 (1).*

**Council To Approve:**

*(2) A board of management shall submit the budget to council by the date and in the form required by the municipality and **the municipality may approve it in whole or in part** but may not add expenditures to it. 2001, c. 25, s. 205 (2); 2002, c. 17, Sched. A, s. 40 (2).*

**Limitations:**

- (3) A board of management shall not,  
(a) spend any money unless it is included in the budget approved by the municipality or in a reserve fund established under section 417;  
(b) incur any indebtedness extending beyond the current year without the prior approval of the municipality; or  
(c) borrow money. 2001, c. 25, s. 205 (3).

We, the levy-paying members of the London Downtown Business Association submit:

- (1) that the budget before municipal council ***be accepted as proposed in its entirety***; and  
(2) the full levy amount should be applied to members June 2019 final property tax invoicing, and duly remitted to the City of London,  
(a) ***with the proviso*** that line item amounts for discretionary spend items (as enumerated in yellow below) be held in trust by the City of London and  
(b) only released by the Treasurer once the LDBA Board of Management and its levy-paying members have resolved their differences to both parties' mutual satisfaction;  
(3) with the foregoing subject to a confirmation resolution passed by 50% +1 of eligible voters at Special General Meeting to be convened no later than 15th June 2019.

On behalf of the LDBA membership listed below.

David E. White



President  
David E. White Ltd.

## London Downtown Business Association

2019 Proposed Budget  
with 2018 Comparators

### Revenue Overview

LDBA Revenue Detail:	2018 Approved Budget	2018 Actuals	2018 Surplus (Deficit)	2019 Proposed Budget	% of Total Rev	Increase/ (Decrease) over 2018	% Budget Change over 2018
Total City of London Levy	1,915,390	1,915,390	-	1,915,390		-	0.0%
LDBA Reserve Drawdown			-			-	0.0%
Interest Income	1,100	1,645	545	1,100		-	0.0%
Miscellaneous Income	-	-	-	-		-	0.0%
<b>Total LDBA Revenue</b>	<b>1,916,490</b>	<b>1,917,036</b>	<b>545</b>	<b>1,916,490</b>	<b>100.0%</b>	<b>-</b>	<b>0.0%</b>

### Expenditure Overview

LDBA Expenditure Detail:	2018 Approved Budget	2018 Actuals	2018 Surplus (Deficit)	2019 Proposed Budget	% of Total Exp	Increase/ (Decrease) over 2018	% Budget Change over 2018
<b>ADMINISTRATION</b>							
Wages and Benefits	435,910	435,910	-	486,000		50,090	11.5%
Telephone	15,000	13,463	1,537	15,000		-	0.0%
Stationery and Supplies	3,500	3,418	82	4,000		500	14.3%
Insurance	6,700	7,113	(413)	7,200		500	7.5%
Professional Services	3,600	3,529	71	3,600		-	0.0%
Purchase and Leasing Equipment	17,000	16,777	223	16,500		(500)	(2.9%)
Training/ Conferences	18,000	19,607	(1,607)	18,000		-	0.0%
Subscriptions / Memberships	3,000	3,618	(618)	3,100		100	3.3%
Legal & Audit	5,000	3,233	1,767	10,000		5,000	100.0%
Cleaning	7,700	8,146	(446)	8,000		300	3.9%
Board Development & Expenses	5,000	5,132	(132)	5,000		-	0.0%
Office Furniture	7,300	7,979	(679)	11,000		3,700	50.7%
Possible Move				60,000			
Miscellaneous Expense	3,590	3,513	77	3,290		(300)	(8.4%)

<b>Total Administration</b>	<b>531,300</b>	<b>531,438</b>	<b>(138)</b>	<b>650,690</b>	<b>34.0%</b>	<b>59,390</b>	<b>11.2%</b>
<b>RENT</b>							
Rent and Hydro	78,000	69,194	8,806	80,000		2,000	2.6%
<b>Total Rent</b>	<b>78,000</b>	<b>69,194</b>	<b>8,806</b>	<b>80,000</b>	<b>4.2%</b>	<b>2,000</b>	<b>2.6%</b>
<b>MEMBER SERVICES</b>							
Graffiti Removal	54,000	52,200	1,800	53,000		(1,000)	(1.9%)
Pigeon Program	-	-	-	-		-	0.0%
Annual General Meeting	15,000	24,190	(9,190)	20,000		5,000	33.3%
<b>Total Member Services</b>	<b>69,000</b>	<b>76,390</b>	<b>(7,390)</b>	<b>73,000</b>	<b>3.8%</b>	<b>4,000</b>	<b>5.8%</b>
<b>BUSINESS DEVELOPMENT</b>							
Communications & Marketing	350,000	409,014	(59,014)	284,000		(66,000)	(18.9%)
Promo Downtown Dollars	55,000	65,000	(10,000)	65,000		10,000	18.2%
Top up Tenant Improvement Loan			-			-	0.0%
Funding							
Main Street Sponsorship	355,500	266,065	89,435	219,700		(135,800)	(38.2%)
Main Street About Face Sponsorship	125,000	174,435	(49,435)	225,000		100,000	80.0%
Planters	39,100	24,376	14,724	30,000		(9,100)	(23.3%)
Public Art	10,000	6,518	3,482	10,000		-	0.0%
Clean Team	143,000	142,078	922	146,100		3,100	2.2%
Downtown Issues	-	-	-	-		-	0.0%
Volunteer Recognition	5,000	172	4,828	2,500		(2,500)	(50.0%)
Miscellaneous	5,090	1,941	3,149	5,000		(90)	(1.8%)
<b>Total Business Development</b>	<b>1,087,690</b>	<b>1,089,599</b>	<b>(1,909)</b>	<b>987,300</b>	<b>51.5%</b>	<b>(100,390)</b>	<b>(9.2%)</b>
Tax Write offs	90,000	55,808	(34,192)	90,000		-	0.0%
Allowance for Vacancy Rebates	20,000	-	(20,000)			(20,000)	(100.0%)
HST	40,500	11,887	28,613	35,500		(5,000)	(12.3%)
<b>Total LDBA Expenditure</b>	<b>1,916,490</b>	<b>1,834,315</b>	<b>(26,210)</b>	<b>1,916,490</b>	<b>100.0%</b>	<b>(60,000)</b>	<b>(3.1%)</b>
Net Surplus / (Deficit)	-	<b>82,720</b>	<b>(25,665)</b>	-		-	
Draw from / (Contribution to) Operating	-	<b>(82,720)</b>	<b>25,665</b>	-		-	
Fund							
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>-</b>	

All figures subject to audit.

All figures subject to rounding.

**LDBA PETITION LIST**

Abruzzi	Fellini Koolini's	Pfaff Jewellers
Accents	Fine Art Custom Framing	Privit Inc.
Ann's Tailoring& Design	Fogged Up	Plant Matter Café
Anita Morris Models	Fresno's	Prince Albert's Diner
Andrew Douglas Clothiers	Fresh and Fast Food Mart	Quesada
Barking Frog	Frankly Scarlet	Raital Limited
Bulk Barrel	Framing and Art Centre	Rebirth Wellness Centre
Burger Burger	Gleed Commercial	Red Door Tattoo
Brightstone Capital	Grow and Bloom Co.	Redtail G.C.
Brookes	Good Value	Richmond Diamonds
Burman's Beauty Supplies	Hanger 9	Roman's Leather
Boxwoods	Healthy Obsession Fitness	Safron Road
Black Trumpet	In Fashion	Salon Entrenous
B.W.J. Developemnts	Itawtrar Limited	Salon Thairapy
Bikini Paradise	Jas	Salon Prespa
Blucor Group	Jill's Table	S & H Health Food
Bella Booteek	Joe Kool's	Scope Gap
Bluland Enterprises	J.Dee's Market Grill	Seychelles Swimwear
Big Blue Bubble	J.B Simpson Jewellers	Smart Gold London
Barre Pilates	King's Inn Diner	Smooth Wax Bar
Bertoldi's	Krums	Stay Tight Clothing
Brown and Dickson	Kosmos	Studio H
C.B.R.E. Limited	La Casa	Stronghold
CIBC Wood Gundy	Lifestyles	Talbot Pawn Shop
City Lights Bookstore	Little Labels Boutique	Tantrum Sun Lux Spa
Cousin Vinny's	London International Academy	Tillmann Ruth Robinson Architects
Cushman Wakefield	Lofthouse Living	Tim Horton's
Cyclepath	London Rock	The Ceeps/Barneys
D&R Smoke Shop	Marienbad/ Chaucers	The Tasting Room
Dan Hassan	May McConville (Vivid) Insurance	Toboggan Brewing
David's Bistro	Marky's Crepe Café	Todd R. Cook Corp
David E. White	McDonalds	To Wheels
Dimi's Greek House	Metrix Realty Group	Uber Cool
Desi's Boutique	Michael Gibson Gallery	Urban Outfitters
Donohue Funeral Home	Mugfords	Vision Travel
Dos Tacos	Mythic Grill	Wich Is Wich
Dundas Pawn Brokers	Needs Wants Boutique	Wine Rack
Elizabeth Noel	Nimues Closet	Your Highness
Endo Jewellers	Nine Of Water	151311 Ontario Ltd
En-ti-tled	Nova Vita Hair Salon	Paradise Cream Café
Eyes on Richmond	NYC Stylz	Fanny Goose
European Fashion	Old North Optical	
Fahri Holdings	O&V Jewelry	