



Property Tax, Water, Wastewater & Treatment Budgets

2023 ANNUAL BUDGET UPDATE

Council Approved - February 14, 2023



london.ca/budget

Land Acknowledgement

The City of London is situated on the traditional lands of the Anishinaabek (AUh-nish-in-ah-bek), Haudenosaunee (Ho-den-no-show-nee), Lūnaapéewak (Len-ah-pay-wuk) and Attawandaron (Add-a-won-da-run). We honour and respect the history, languages and culture of the diverse Indigenous people who call this territory home. The City of London is currently home to many First Nations, Metis and Inuit people today. As representatives of the people of the City of London, we are grateful to have the opportunity to work and live in this territory.

Steps Towards Anti-Racism and Anti-Oppression at the City of London

Municipal Council has affirmed its commitment to eliminating systemic racism and oppression in our community. As individuals who serve the public, facing this troubling reality is both daunting and uncomfortable – and, for many, deeply personal. While this work demands urgency, the actions needed to deconstruct systems of racism and oppression will require sustained commitment and courageous action to drive transformative change.

It is a sombre obligation. It is also an important opportunity. Londoners in the community and within the organization provided valuable insights on how the City of London can use its strength and position as an influential leader to drive anti-racism and anti-oppression work.

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Executive Summary

Property Tax Supported Budget

The 2023 Annual Budget Update includes \$1.1 billion in operating expenditures funded through \$736.5 million in property taxes and \$380.8 million in non-tax revenues for 2023. The City is planning capital investments of \$447.7 million in 2023, part of a 10-year capital plan (2020 to 2029) of \$3.0 billion. The average annual property tax revenue increase over the 2020 to 2023 Multi-Year Budget period is 3.4% with a 2023 property tax revenue increase of 3.1%.

Water Rate Supported Budget

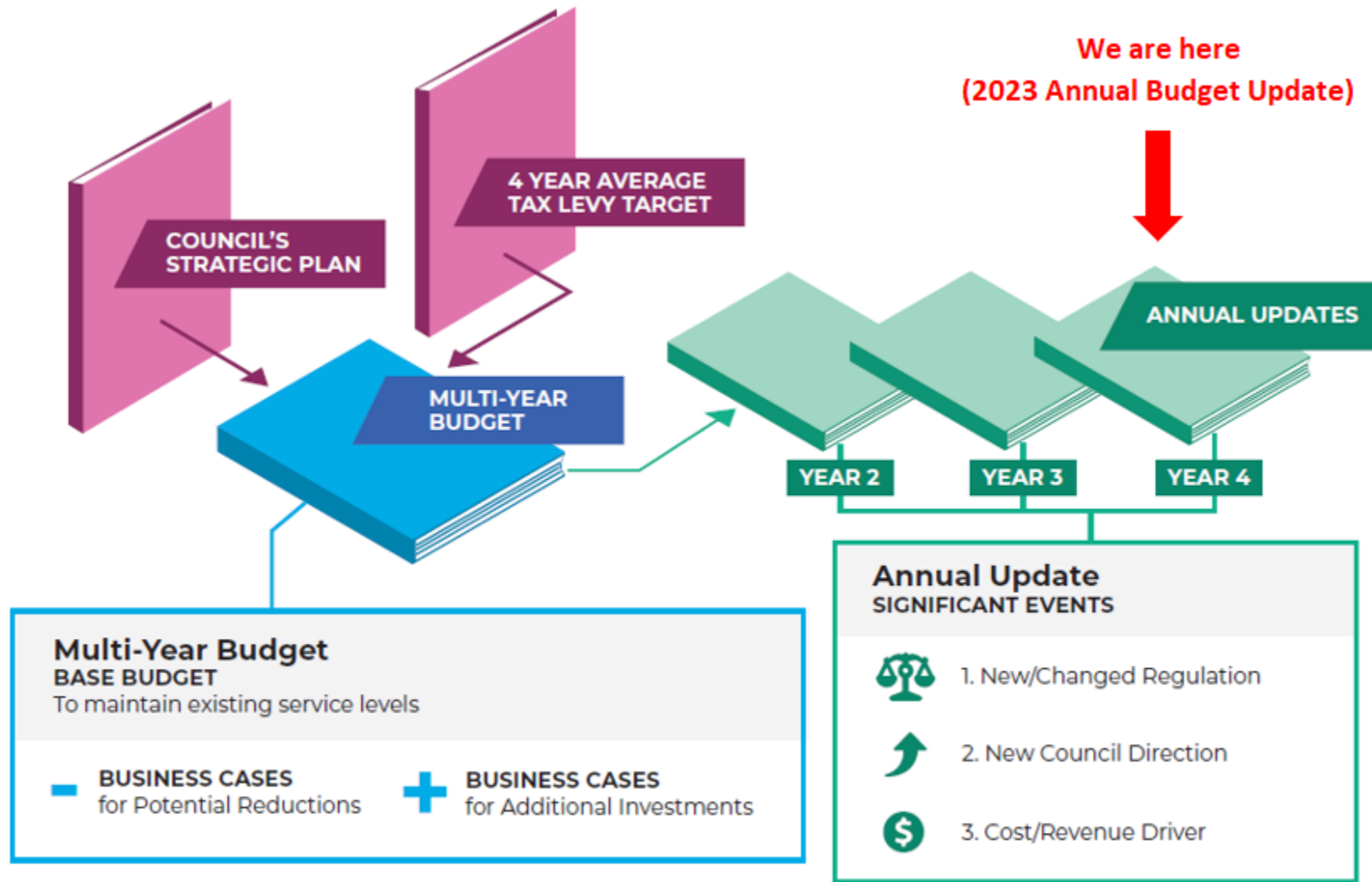
The 2023 Annual Budget Update includes \$93.7 million in operating expenditures and \$93.7 million in operating revenues with an average annual water rate increase over the 2020 to 2023 Multi-Year Budget of 2.5%. The City is planning capital investments of \$38.9 million in 2023, part of a 10-year capital plan (2020 to 2029) of \$493.0 million.

Wastewater and Treatment Rate Supported Budget

The 2023 Annual Budget Update includes \$117.5 million in operating costs and \$117.5 million in operating revenues with an average annual wastewater and treatment rate increase over the 2020 to 2023 Multi-Year Budget of 3.2%. The City is planning capital investments of \$92.6 million in 2023, part of a 10-year capital plan (2020 to 2029) of \$976.8 million.

Multi-Year Budget Process Refresher

The graphic below is an illustration of the Multi-Year Budget Process. This Multi-Year Budget represents the second four-year budget approved by Municipal Council. Rather than approving a budget annually, Municipal Council approves the four-year budget, with the last year being subject to reconfirmation by the new term of Municipal Council. The 2020 to 2023 Multi-Year Budget aims to provide the financial resources to implement the 2019 to 2023 Strategic Plan.



Annual Update Process Refresher

Consistent with previous Annual Updates, changes to year 2023 of the current Multi-Year Budget are 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/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/Revenue Driver**

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

Each budget amendment that has an impact on the remaining year of the Multi-Year Budget (2023) 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.

Budget amendments are only brought forward and approved once per year. Adjustments are limited to once per year, during the annual update period, to ensure that all requests are considered together.

Environmental, Social and Governance Considerations

For the 2022 Annual Budget Update, Civic Administration implemented an Environmental, Social and Governance (ESG) evaluation of all budget amendments, incorporating important climate change and equity impact assessments, as well as any governance considerations, in an “Environmental, Social and Governance Considerations” section of each budget amendment. With the 2023 Annual Budget Update, the format has been modified to provide for enhanced flexibility. While each amendment may not focus on all ESG aspects, all three components are considered and evaluated. Both positive and negative considerations are noted as they may apply to each amendment.

As highlighted in the 2022 Annual Budget Update, the City of London’s ESG credit impacts are now disclosed through its annual credit rating review by its credit review agency, Moody’s. Moody’s ESG Credit Impact Score (CIS) is not an evaluation of the City’s performance or activities as it relates to ESG but rather a reflection of how ESG factors within the City of London impact credit risk and therefore the credit rating of the City. The CIS is based on a scale from one to five:

CIS – 1; representing positive impact

CIS – 2; representing neutral to low impact

CIS – 3; representing moderately negative impact

CIS – 4; representing highly negative impact

CIS – 5; representing very highly negative impact

The City’s overall ESG CIS is CIS – 2; neutral to low impact. The environmental profile received a score of two; the social profile received a score of two; and the governance profile received a score of one, which “captures London’s very strong institutional and governance framework” according to Moody’s.

Through the City’s strategic plan, ESG factors are embedded through the various applicable strategic areas of focus. The City’s progress on ESG elements is reflected through its performance in achieving its strategic goals and related metrics.

Further integration of climate and equity impact considerations into other aspects of the City’s budgeting process (e.g., Business Plans, base budgets, etc.) will occur in preparation for the City’s 2024 to 2027 Multi-Year Budget.

COVID-19 Pandemic Impacts

COVID-19 effects continue to result in financial impacts to the City, however these impacts have gradually declined in 2022 as public health restrictions have generally been lifted and the City and community move past the pandemic to recovery.

Despite the reduced financial impacts, the City must continue to be mindful of impacts into 2023 and future years. It is critical that the City remain cognizant of permanent changes to behaviours and community trends. Lagging financial impacts of COVID-19 are now being manifested as a high inflationary environment, which is highlighted in more detail in the next section of this document.

While the Multi-Year Budget was approved prior to emergency orders being invoked, it has demonstrated many of its advantages through these turbulent times. As previously outlined, benefits of a multi-year budget include, among others, flexibility in the allocation of resources, efficient use of time and resources, and support of the City's Aaa credit rating.

With the 2021 and 2022 Annual Budget Updates, and continuing with this 2023 Annual Budget Update, budget amendments have been included that allow for a direct response to impacts from the pandemic. Resourcing needs have been modified to respond to service disruptions and expenditure increases have been deferred to align with updated timing, which in many cases provide for adjustments to reduce the tax levy.

The efficient use of time and resources by utilizing the multi-year budgeting approach has also provided Civic Administration the capacity to focus on quantification and monitoring of financial impacts resulting from COVID-19, both on the operating and capital budgets. This further supports the ability to complete applications and reporting requirements to obtain financial support from Federal and Provincial levels of government to help offset financial pressures. The flexibility provided by the City's multi-year budgeting approach continues to be acknowledged by the City of London's credit review agency, Moody's, not only through affirmation of the City's Aaa rating with a stable outlook, but also with specific references in their credit opinion:

“In our view, the multi-year budget approach proved beneficial during the pandemic given the city's plans were already well developed which made the process to find mitigating measures relatively easier than for other municipalities that still needed to ‘build’ their budget.” – Moody's Credit Opinion for City of London, October 5, 2022

Inflation

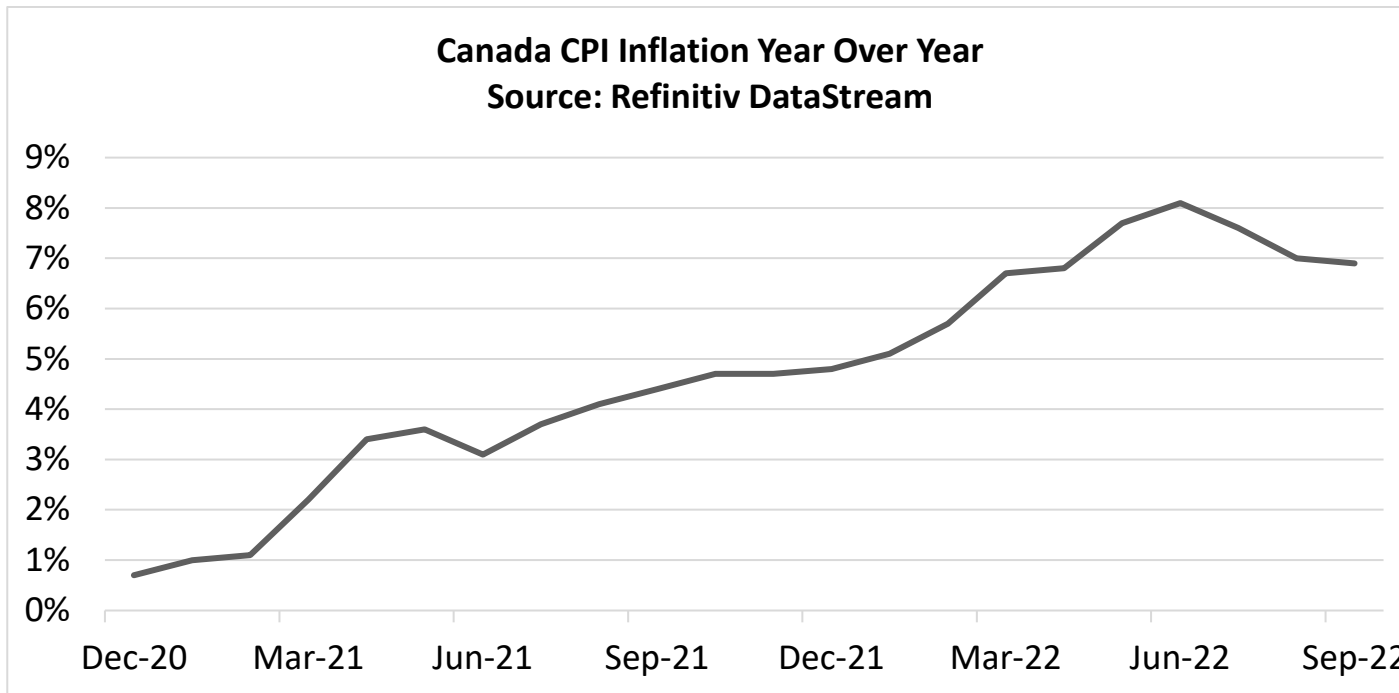
As Canada's economy has emerged from the pandemic, inflationary pressures have developed in 2021 and 2022. Canada is experiencing inflationary levels not seen for over 20 years.

The Consumer Price Index (CPI) represents changes in prices as experienced by Canadian consumers and is one of the most watched and reported measures in Canada as it relates to inflation. The CPI target range for the Bank of Canada continues to be one to three percent. While inflationary increases were included in the City’s approved 2020 to 2023 Multi-Year Budget, the current levels of inflation exceed what was contemplated in the development of the budget. Levels of inflation have been accelerating, with CPI rising to 8.1% on a year-over-year basis in June 2022, noting that they have moderated slightly since then. The Bank of Canada Monetary Policy Report from October 2022 forecasts CPI Inflation at 4.1% for 2023.

Inflation Projection	2021	2022	2023	2024
CPI Inflation (%)	3.4	6.9	4.1	2.2

Source: Bank of Canada Monetary Policy Report – October 2022

The following graphic shows year-over-year CPI increases over the last two years:



It is important to note that CPI measures the inflationary movements of a basket of goods reflective of consumer spending; it does not necessarily represent the inflationary impacts being faced by municipal governments. A municipality’s ‘basket of goods’ is different than CPI. This is referred to as a theoretical Municipal Price Index (MPI).

CPI vs MPI



Goods and Services within the CPI:

Food, Shelter, Transportation, Machinery and Equipment, Clothing and Footwear, Health and Personal Care, Household Operations and Furnishings, Recreation Education and Reading, Alcoholic Beverages and Tobacco, Chemicals and Chemical Products.



Goods and Services within the MPI:

Labour, Contracted Services, Social Assistance Costs and Transfers, Building Maintenance and Rent, Equipment Purchases and Leases and Maintenance, Financial Costs (write-offs, debt, interest and carrying costs), Specialized Supplies (salt, asphalt, chemicals), Construction Services.

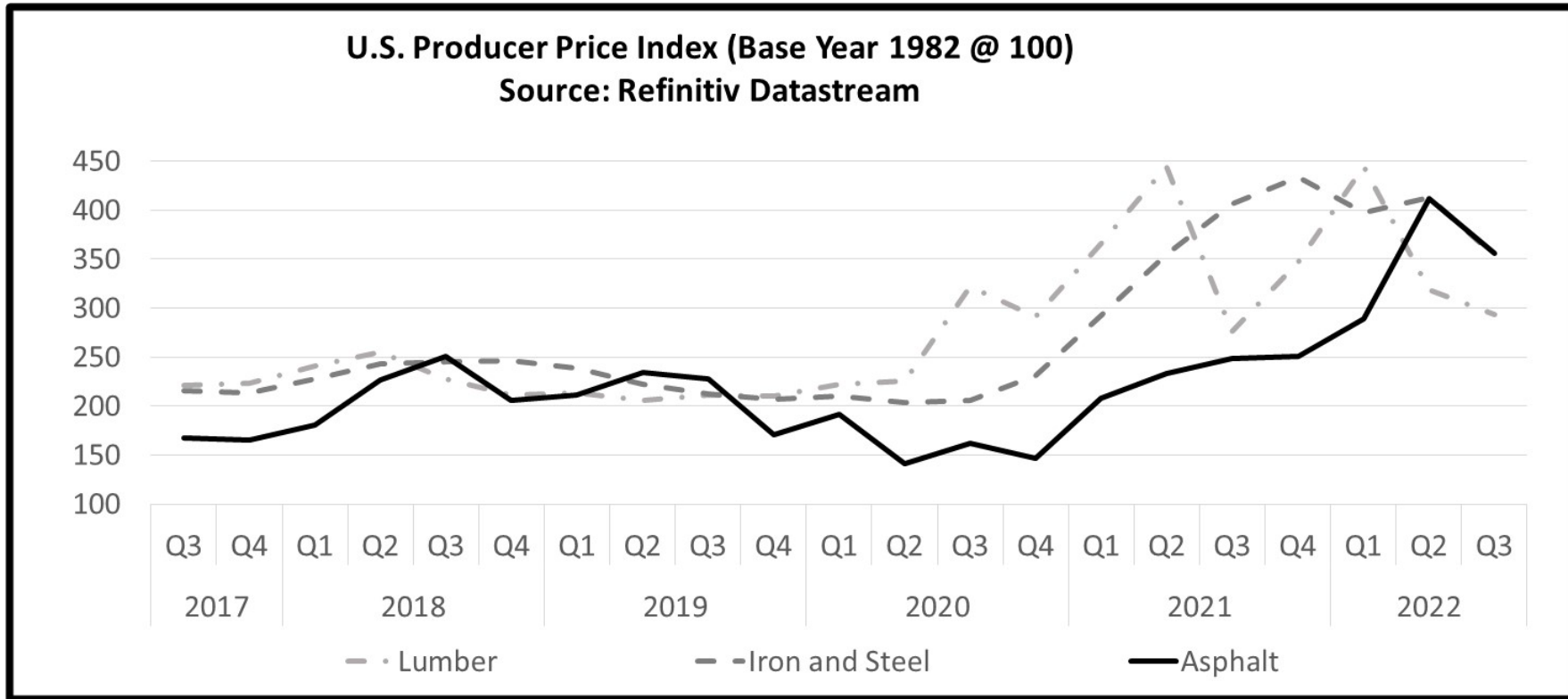
Impacts on the Operating Budget

There are no budget amendments relating solely to inflationary pressures for the operating budget. While some pockets of inflationary pressure have been noted, they are currently being managed through offsetting savings in the overall City budget. There is the potential for further pressures to be experienced by the City into the future as certain goods and services purchased through established contracts will come up for renewal. Throughout the pandemic, the City of London has strategically set aside funds in contingency reserves from savings resulting from operational adjustments in response to the pandemic. These savings remain available to mitigate unanticipated inflationary pressures through 2023.

Impacts on the Capital Budget

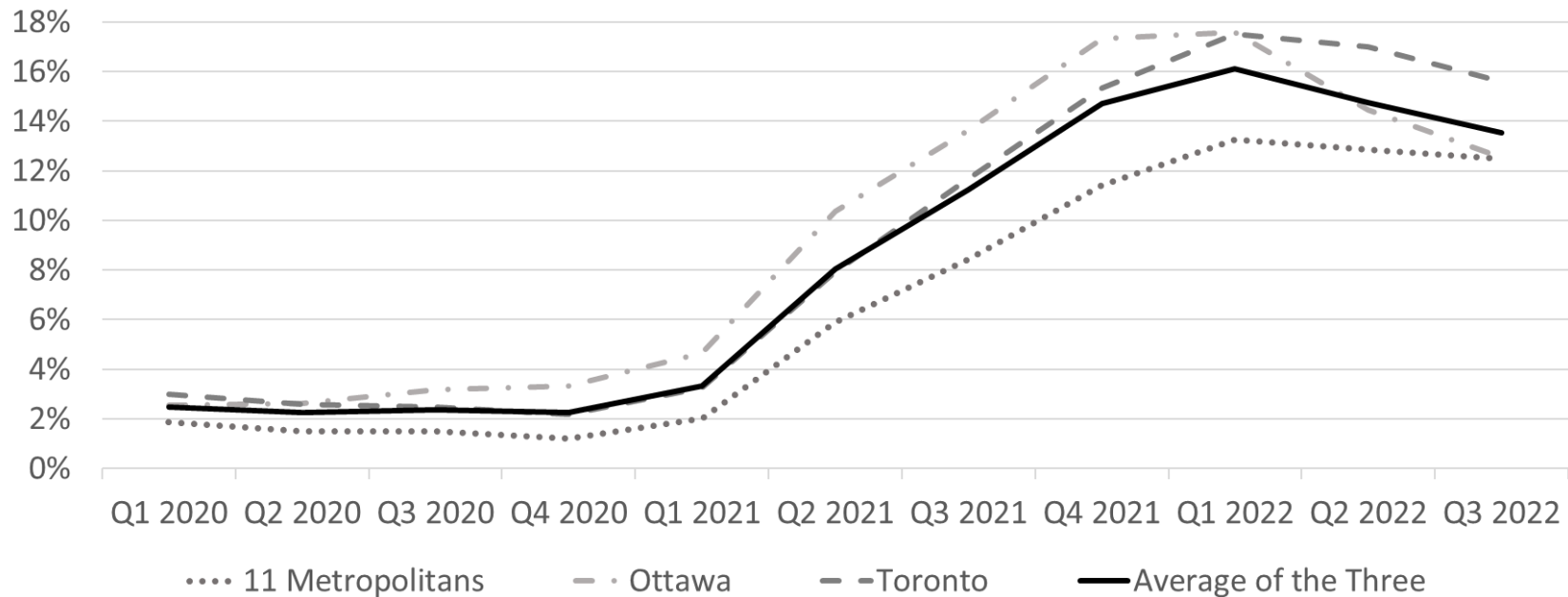
Supply chain disruptions and increased demand for certain raw materials have resulted in many capital projects in the City's approved capital plan experiencing inflationary pressures. The cost of labour and materials have increased significantly. The U.S. Producer Price Index (below) is the official monthly measure of producer prices in the economy of the United States, and a good comparator of trends being experienced in Canada. It measures average changes in prices received by domestic producers for their outputs like lumber, iron and steel, and asphalt; respectively the prices for these products have increased 32%, 68%, and 86% over the Q1 2020 (beginning of the current multi-year budget) to Q3 2022 period. Similarly, Statistics Canada tracks various input prices through the Industrial Product Price Index. Since the beginning of 2020 through to September 30, 2022, the price of lumber and other wood products has increased 45% and primary ferrous metal products (e.g. steel) have increased 51%. The Statistics Canada Industrial Product Price Index does not specifically include asphalt, but other sources indicate the price of asphalt in Ontario has increased more than 90% over the same

period. Clearly, therefore, significant price increases for various materials utilized in construction projects have been experienced, not only in Canada but across North America and the world.



These higher input costs are among the factors driving increases in the cost of construction. The Building Construction Price Indexes tracked by StatsCan are a quarterly measure of change in prices that contractors charge to construct a range of new commercial, institutional, industrial (ICI) and residential buildings. Of particular importance to the City of London is the Non-Residential Building Construction Price Index, which is presented below for the Q1 2020 to Q3 2022 period.

Non-Residential Building Construction Price Index - Y/Y % Estimate
Source: Stats Can - Table 18-10-0135-01 formally CANSIM 327-0058



This graph represents a striking change in the construction environment since the approval of the 2020 to 2023 Multi-Year Budget. Capital projects in the City’s 10-year Capital Plan do account for inflation; however, the 2.4% factor used during the multi-year budget development has been significantly outpaced since the start of 2021. As a result, many projects and programs in the 10-year capital plan for lifecycle renewal, growth, and service improvement do not fully reflect the funding requirements in order to complete the projects and programs as originally planned.

While inflation may be showing early signs of easing (albeit still at very elevated levels), it should be noted that construction price deflation (i.e. falling construction prices) is very rare and typically only seen during significant economic downturns. Pausing or deferring capital projects in this environment may not reduce our future costs with respect to the City’s capital works and may in fact have detrimental effects on London’s economic recovery. Additionally, deferring a significant number of capital projects would likely cause operational issues as projects stack up in future years, calling into question the ability to deliver all of that work in a compressed period of time.

Budget amendments have been included in the 2023 Annual Budget Update to secure additional funding for a number of capital projects that are being impacted by inflation and are planned to proceed in 2023. In the coming months leading up to the next multi-year budget, easing of supply chain pressures, commodity price moderation (steel, lumber, etc.), central bank actions, etc. may help

moderate future inflationary impacts. The 2024 to 2027 Multi-Year Budget will provide the best opportunity for significant changes to the City's capital budget and 10-year capital plan – this will provide time to monitor how any moderation in the current inflationary trend plays out over the coming months.

Summary

Throughout the pandemic, the City of London has strategically set aside funds in contingency reserves from savings resulting from operational adjustments in response to the pandemic. In 2021, further funds were set aside in contingencies for future inflationary pressures. Lagging financial impacts of COVID-19 are now being manifested as a high inflationary environment. As the City's inflationary pressures may become even clearer into 2023 and possibly into the next 2024 to 2027 Multi-Year Budget, these contingency funds will remain as a cornerstone in Civic Administration's mitigation strategy. As part of the development of the 2024 to 2027 Multi-Year Budget, Civic Administration will assess the persistence of inflationary impacts on the City's operating and capital budgets and bring forward any necessary adjustments to operating and capital plans for Council's consideration at that time.

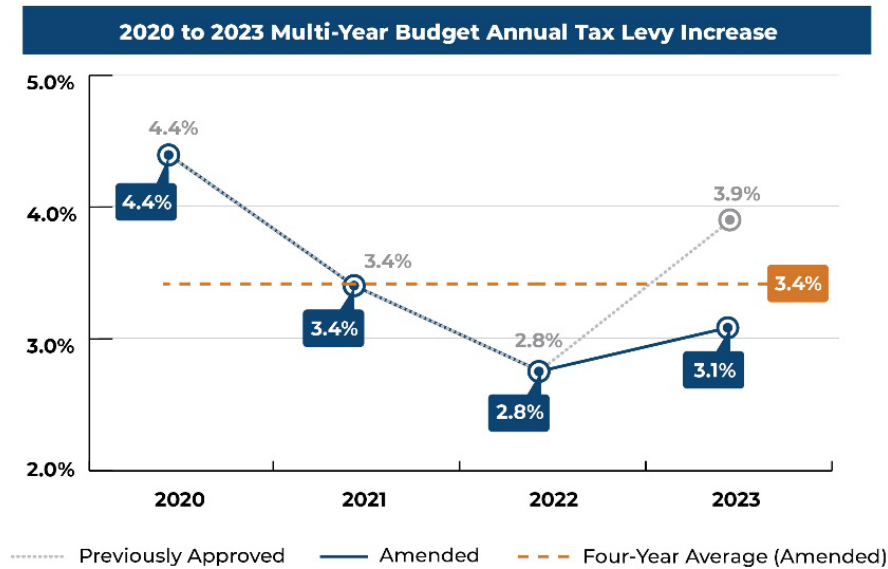


Budget in Brief – Property Tax Supported Budget

On March 2, 2020, Municipal Council approved the City’s second Multi-Year Budget covering the period from 2020 to 2023. The Multi-Year Budget was approved with an average annual tax levy increase from rates of 3.9%. After the first annual update to the Multi-Year Budget (2021), the four-year average annual increase from rates was 3.8%. As part of the 2022 Annual Budget Update the average annual increase from rates was reduced to 3.6%. The City of London has now completed the third annual update to the Multi-Year Budget (2023).

As part of the 2023 Annual Budget Update, Municipal Council approved a total of 15 property tax budget amendments. All three of the capital budget amendments were accommodated within the capital plan or via one-time funding sources resulting in no increase to the tax levy in 2023. Of the 12 operating budget amendments approved, five resulted in tax levy reductions, three had no tax levy impact, and four resulted in a tax levy increase.

With the approval of these budget amendments, the 2023 increase from rates decreased to 3.1% from the previously approved 3.9% increase, while the four-year average annual increase is 3.4%; down from 3.6%. The graph below illustrates the amended increase from rates for the Multi-Year Budget period.



Note: Previously approved rates are recalculated taking into account assessment growth impact in each annual update year of the Multi-Year Budget period.

Budget In Brief – Property Tax Supported Budget

Operating Tax Levy Revenue Overview (\$ Thousands)

2023 Annual Update

Operating Budget	2020 Tax Levy Revenue	2021 Tax Levy Revenue	2022 Tax Levy Revenue	2023 Tax Levy Revenue	2020 to 2023 Average % Increase/Decrease
Previously Approved % Increase From Rates ^{1,2}	4.4%	3.4%	2.8%	3.9%	3.6%
Previously Approved Budget	642,901	673,581	701,849	741,837	
Amendments ³				-5,379	
Amended Budget	642,901	673,581	701,849	736,458	
Amended % Increase From Rates	4.4%	3.4%	2.8%	3.1%	3.4%

Subject to rounding.

Notes

1. Previously approved rates are recalculated taking into account assessment growth impact in each annual update of the Multi-Year Budget period.
2. Initial Multi-Year-Budget approved increases from rates were: 2020 – 4.4%; 2021 – 4.5%; 2022 – 3.4%; 2023 – 3.3%; 2020 to 2023 Average – 3.9%
3. Amendments reflect impacts of all budget amendments as applicable.

Gross Operating Expenditure and Non-Tax Levy Revenue Budget Overview (\$ Thousands)

2023 Annual Update

Operating Budget	2020 Expenditure	2020 Non-Tax Levy Revenue	2021 Expenditure	2021 Non-Tax Levy Revenue	2022 Expenditure	2022 Non-Tax Levy Revenue	2023 Expenditure	2023 Non-Tax Levy Revenue
Previously Approved Budget	1,007,784	364,883	1,041,639	368,058	1,108,664	406,814	1,113,685	371,848
Amendments ¹							3,597	8,975
Amended Budget	1,007,784	364,883	1,041,639	368,058	1,108,664	406,814	1,117,281	380,823

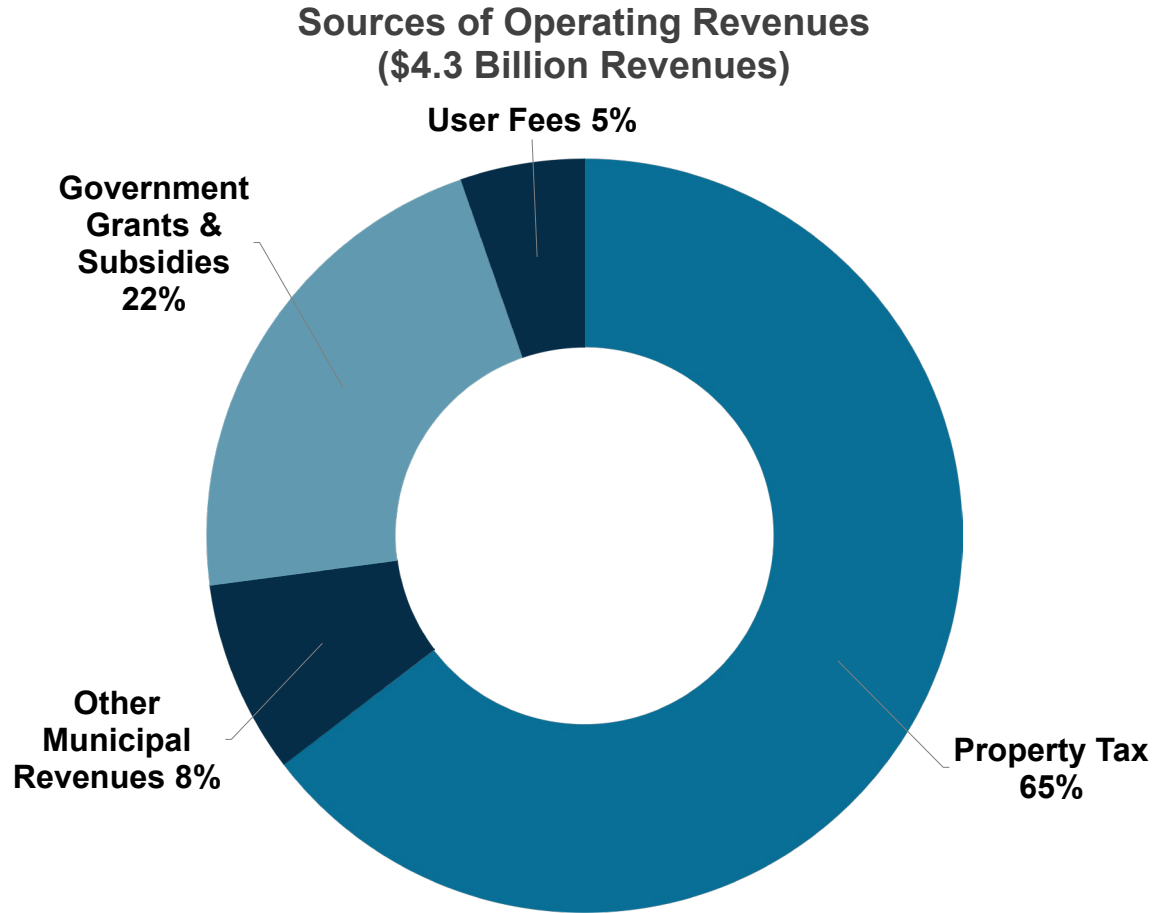
Subject to rounding.

Notes

1. Amendments reflect impacts of all budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

Budget In Brief – Property Tax Supported Budget

Total operating revenues in the 2020 to 2023 Multi-Year Budget are \$4.3 billion. As shown in the chart below, the largest source of revenue is property taxes which accounts for 65% of total revenues.

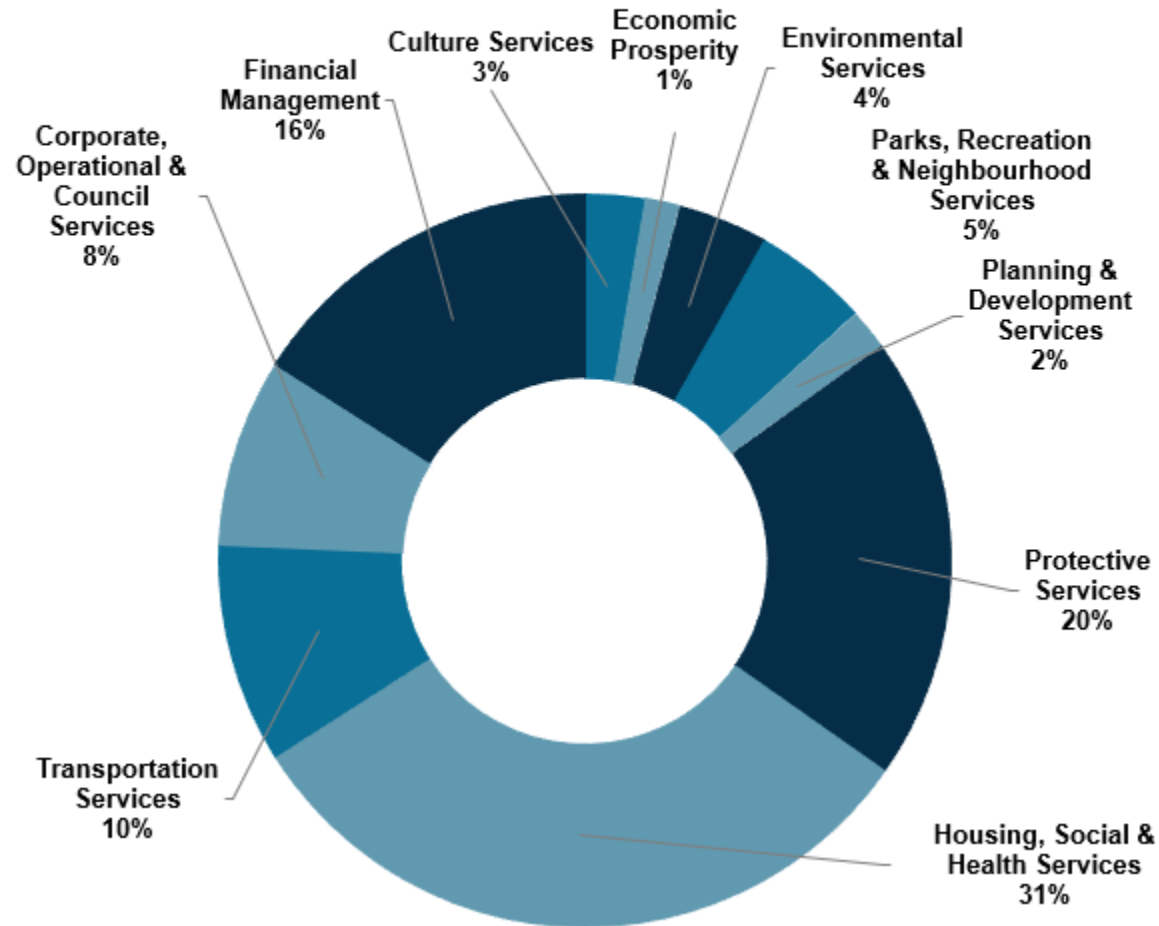


Note: Amounts reported include the impact of all 2023 budget amendments.

Budget In Brief – Property Tax Supported Budget

The allocation of 2020 to 2023 Multi-Year Budget operating expenditures by service program is shown in the chart below.

How Operating Dollars are Spent By Service Program (\$4.3 Billion Expenditure)



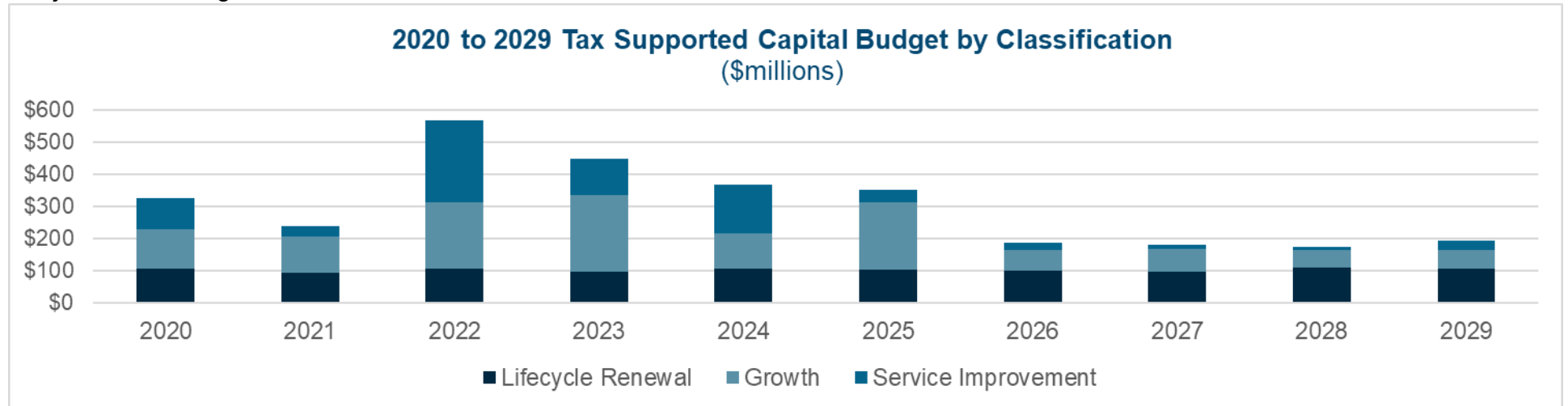
Note: Amounts reported include the impact of all 2023 budget amendments.

Budget In Brief – Property Tax Supported Budget

2020 to 2029 Capital Budget Overview (\$ Millions)

































Capital Budget Classification	2020 to 2023 Amended Multi-Year Budget	2020 to 2029 Amended Capital Plan
Lifecycle Renewal projects maintain infrastructure that is in place today (e.g. road resurfacing and replacing equipment). This is a high priority component of the capital budget. The goal is to keep systems and facilities in good repair; regular planned maintenance is more affordable than reactive emergency repairs	\$404	\$1,035
Growth projects extend services into newly developed areas of the City (e.g. a road widening to handle additional traffic from new subdivisions). Growth projects are not always immediately imperative, but in the long run the City has a responsibility to provide adequate services to newly developed areas.	\$679	\$1,246
Service Improvement projects provide a new or improved level of service or address an emerging need (e.g. purchasing property for industrial land). These projects are optional, but the case may be compelling.	\$498	\$759
Total	\$1,581	\$3,040

Subject to rounding.



2020 to 2023 Average Daily Cost of Municipal Services

Average Daily Cost of Municipal Services: \$8.52¹

18% London Police Services 	\$1.52	5% Social & Community Support Services 	\$0.39	1% Municipal Housing 	\$0.11	.5% Development Services 	\$0.04	.3% Conservation Authorities 	\$0.03
13% Capital Financing 	\$1.11	4% Garbage, Recycling & Composting 	\$0.30	1% Economic Development 	\$0.10	.5% Emergency Management & Security Services 	\$0.04	.3% Animal Services 	\$0.02
10% Fire Services 	\$0.84	3% Land Ambulance 	\$0.29	1% Middlesex-London Health Unit 	\$0.08	.5% Public Support Services 	\$0.04	.3% Museum London 	\$0.02
9% Corporate Services 	\$0.78	3% Library Services 	\$0.27	.9% Financial Management - Other 	\$0.08	.5% Housing Development Corporation 	\$0.04	.3% All Other Areas 	\$0.02
7% Roadways 	\$0.61	3% Neighbourhood & Recreation Services 	\$0.21	.9% Long Term Care 	\$0.07	.4% Arts, Culture & Heritage Advisory & Funding 	\$0.03		
6% London Transit Commission 	\$0.52	2% Parks & Urban Forestry 	\$0.19	.6% Council Services 	\$0.05	.3% Corporate Planning & Administration 	\$0.03		
5% Debt Servicing 	\$0.43	2% London & Middlesex Community Housing 	\$0.17	.5% Planning Services 	\$0.04	.3% Tourism & Sports Attraction 	\$0.03		

Subject to rounding.
¹Calculated based on the average assessed value of \$241,000 for a residential property. (excludes education tax portion and impacts of tax policy.)

Note: Amounts reported include the impact of all 2023 budget amendments.

Budget In Brief – Water Budget

On March 2, 2020, Municipal Council approved the City’s second Multi-Year Budget covering the period from 2020 to 2023. The Multi-Year Budget was approved with an average annual Water rate increase of 2.5%.

The City of London, consistent with its Multi-Year Budget Policy, has completed its third annual update for the 2020 to 2023 Multi-Year Budget period. The 2023 Annual Budget Update continues to progress achievement of the City’s Strategic Plan while recognizing pressures experienced due to the global coronavirus pandemic (COVID-19). For the 2023 Annual Budget Update, the rate increase for Water will be 2.5%, as contemplated in the 2020 to 2023 Multi-Year Budget. The impact to the average ratepayer is outlined in the table below:

2020 to 2023 Impact on Average Residential Customer from Approved Rate Changes¹

Total Annual Amount	2019	2020	2021	2022	2023
Water	\$486	\$499	\$511	\$524	\$537
Annual Change	N/A	\$13	\$12	\$13	\$13

Subject to rounding.

Notes

1. The budgeted residential cost is based on an average residential consumption of 200 m³ (BMA Municipal Study).

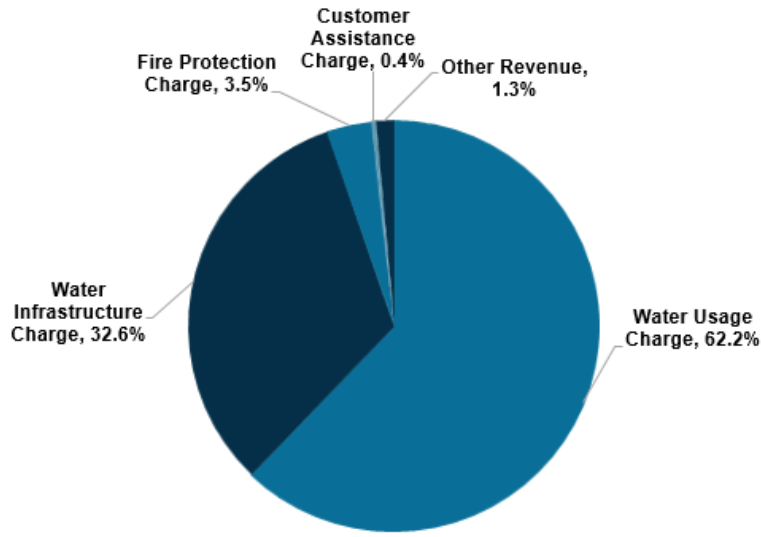
For 2023, Municipal Council approved two capital budget amendments for Water. The 2020 to 2023 Multi-Year Budget for Water is as follows:

Water – 2020 to 2023 Multi-Year Operating Budget (\$ Thousands)

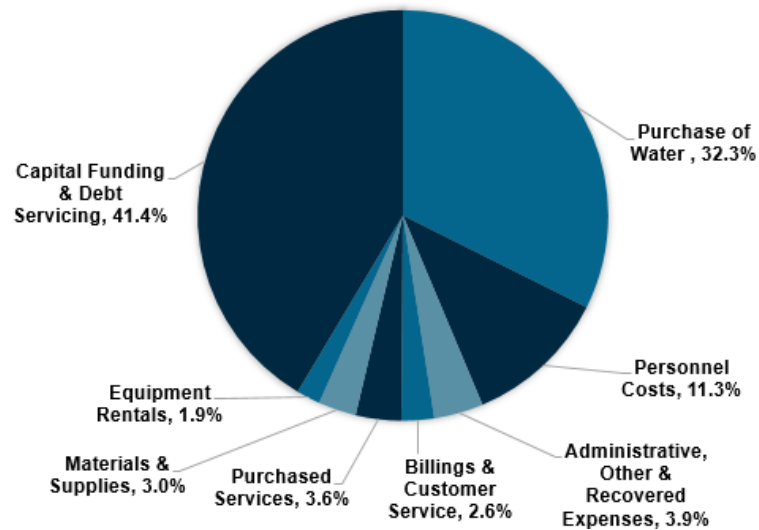
Water	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	2020 to 2023 Average Annual % Increase/ Decrease
Water Rate Increase (Previously Approved)	2.5%	2.5%	2.5%	2.5%	2.5%
Total Water Budget	84,739	87,488	90,530	93,695	
Increase over Prior Year Budget	4,843	2,750	3,041	3,166	
Increase over Prior Year Budget (%)	6.1%	3.2%	3.5%	3.5%	4.1%

Subject to rounding.

**REVENUE BUDGET - WATER
FOUR YEAR AVERAGE (2020-2023)**



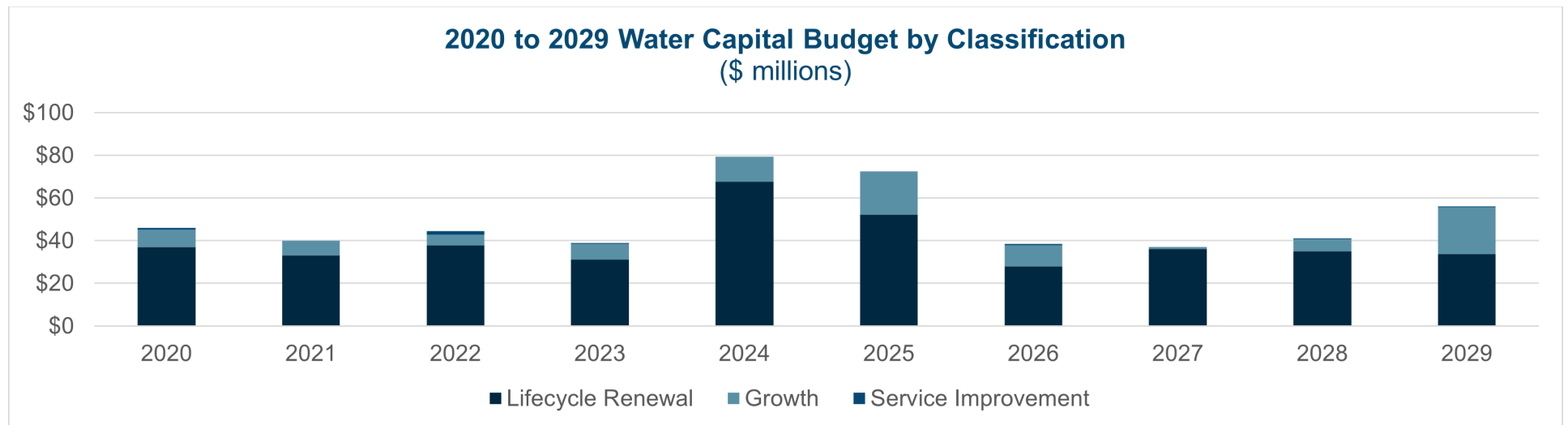
**EXPENDITURE BUDGET - WATER
FOUR YEAR AVERAGE (2020-2023)**



2020 to 2029 Water Capital Budget Overview (\$ Millions)

Capital Budget Classification	2020 to 2023 Amended Multi-Year Budget	2020 to 2029 Amended Capital Plan
Lifecycle Renewal projects maintain infrastructure that is in place today (e.g. reservoirs, watermains, valves, etc.). This is a high priority component of the capital budget. The goal is to keep systems and facilities in good repair; regular planned maintenance is more affordable than reactive emergency repairs.	\$139	\$391
Growth projects extend services into newly developed areas of the City (e.g. a watermain to service new subdivisions). Growth projects are not always immediately imperative, but in the long run the City has a responsibility to provide adequate services to newly developed areas.	\$27	\$96
Service Improvement projects provide a new or improved level of service or address an emerging need (e.g. upgrading equipment in a water pumping station). These projects are optional, but the case may be compelling.	\$3	\$6
Total	\$169	\$493

Subject to rounding.



Budget In Brief – Wastewater and Treatment Budget

On March 2, 2020, Municipal Council approved the City’s second Multi-Year Budget covering the period from 2020 to 2023. The Multi-Year Budget was approved with an average annual Wastewater and Treatment rate increase of 3.2%.

The City of London, consistent with its Multi-Year Budget Policy, has completed its third annual update for the 2020 to 2023 Multi-Year Budget period. The 2023 Annual Budget Update continues to progress achievement of the City’s Strategic Plan while recognizing pressures experienced due to the global coronavirus pandemic (COVID-19). In particular, due to the onset of COVID-19 and associated financial challenges experienced by many households and businesses, the additional rate increase for 2020 approved through the 2020 to 2023 Multi-Year Budget was deferred to 2021. The deferral was associated with the transfer of a portion of Conservation Authorities’ costs from the property tax supported budget to the Wastewater and Treatment budget. The approved 2021 Wastewater and Treatment rates included a phase-in approach, with the rate increase associated with the transfer of the Conservation Authorities’ costs implemented through an additional 2.7% rate increase which took effect July 1, 2021. For the 2023 Annual Budget Update, the rate increase for Wastewater and Treatment will be 2.5%, as contemplated in the 2020 to 2023 Multi-Year Budget. The impact to the average ratepayer is outlined in the table below:

2020 to 2023 Impact on Average Residential Customer from Approved Rate Changes^{1,2}

Total Annual Amount	2019	2020	2021	2022	2023
Sanitary	\$404	\$414	\$430	\$446	\$458
Storm	\$196	\$200	\$208	\$216	\$221
Total	\$600	\$614	\$638	\$662	\$679
Annual Change	N/A	\$14	\$24	\$24	\$17

Subject to rounding.

Notes

1. The budgeted residential cost is based on an average residential consumption of 200 m³ (BMA Municipal Study).
2. Impact on Average Residential Customer reflects impacts associated with the rate increase deferral due to COVID-19 resulting in a phased-in increase in 2021 with the full year impact of the rate increase reflected in 2022.

For 2023, Municipal Council approved one capital budget amendment for Wastewater and Treatment. The 2020 to 2023 Multi-Year Budget for Wastewater and Treatment is as follows:

Wastewater and Treatment – 2020 to 2023 Multi-Year Operating Budget (\$ Thousands)

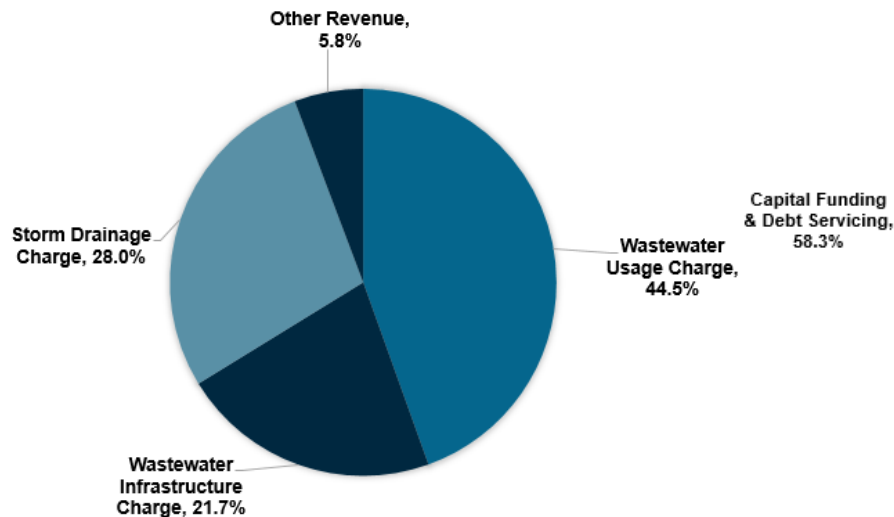
Wastewater and Treatment	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	2020 to 2023 Average Annual % Increase/ Decrease
Wastewater and Treatment Rate Increase (Previously Approved ¹)	2.5%	5.2%	2.5%	2.5%	3.2%
Total Wastewater and Treatment Budget	106,500	109,937	113,668	117,544	
Increase over Prior Year Budget	8,318	3,437	3,731	3,876	
Increase over Prior Year Budget (%)	8.5%	3.2%	3.4%	3.4%	4.6%

Subject to rounding.

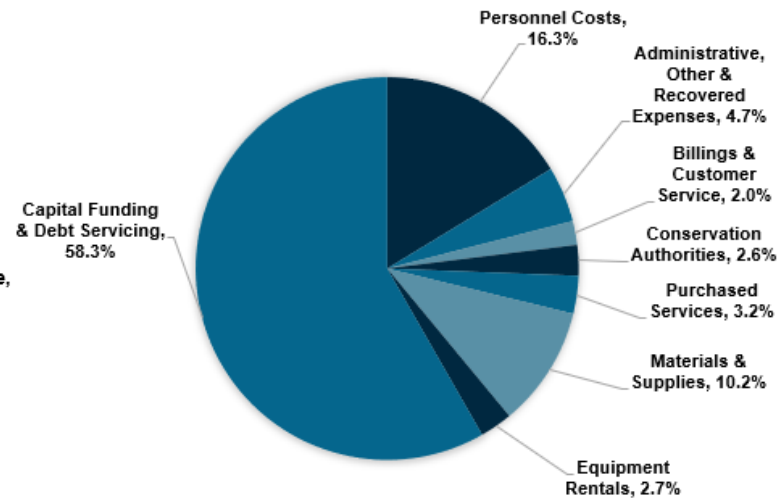
Note

1. Timing of rate implementation was deferred from 2020 to 2021 as a result of the COVID-19 pandemic as previously noted.

**REVENUE BUDGET - WASTEWATER
FOUR YEAR AVERAGE (2020-2023)**



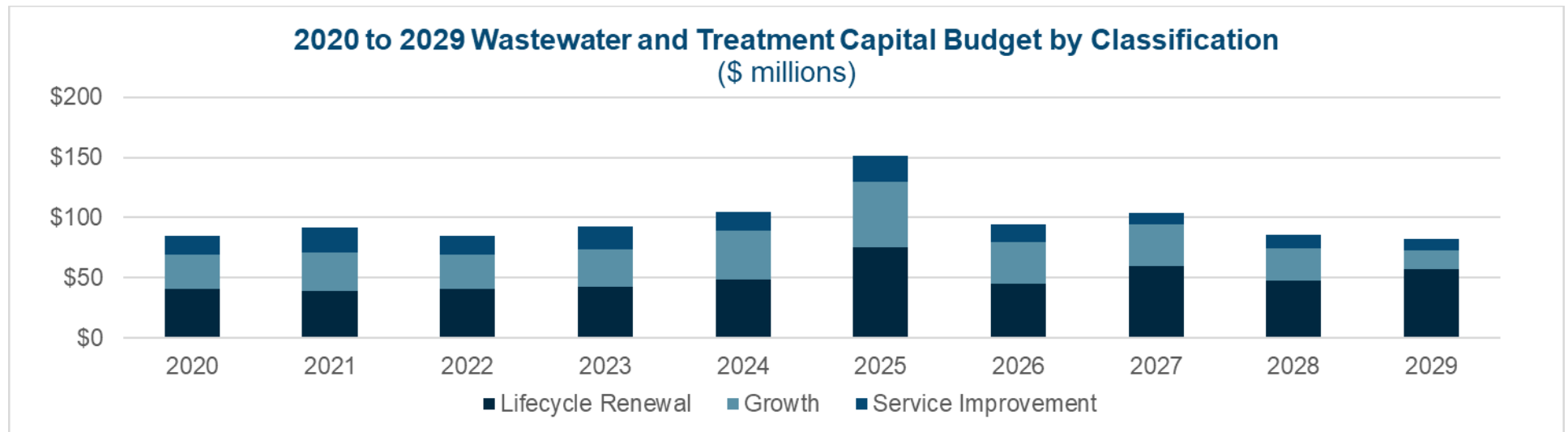
**EXPENDITURE BUDGET - WASTEWATER
FOUR YEAR AVERAGE (2020-2023)**



2020 to 2029 Wastewater and Treatment Capital Budget Overview (\$ Millions)

Capital Budget Classification	2020 to 2023 Amended Multi-Year Budget	2020 to 2029 Amended Capital Plan
Lifecycle Renewal projects maintain infrastructure that is in place today (e.g. local and trunk sewers, wastewater treatment plants and equipment). This is a high priority component of the capital budget. The goal is to keep systems and facilities in good repair; regular planned maintenance is more affordable than reactive emergency repairs.	\$164	\$497
Growth projects extend services into newly developed areas of the City (e.g. a trunk sewer to service new subdivisions). Growth projects are not always immediately imperative, but in the long run the City has a responsibility to provide adequate services to newly developed areas.	\$120	\$327
Service Improvement projects provide a new or improved level of service or address an emerging need (e.g. upgrading equipment in a wastewater treatment plant). These projects are optional, but the case may be compelling.	\$71	\$153
Total	\$355	\$977

Subject to rounding.



Public Sector Accounting Board Reconciliation

Reconciliation of Budgets (Property Tax, Water, Wastewater and Treatment) to Public Sector Accounting Board Financial Statement Budget

Ontario municipalities must adhere to Public Sector Accounting Board (PSAB) accounting standards and reporting requirements. As allowed under Ontario Regulation 284/09, when preparing the budget, The City of London, like most municipalities, excludes typical PSAB items such as costs related to amortization expense, post-employment benefit expense and solid waste landfill closure and post-closure expense. However, the regulation does require that the municipality report to Council on the impact of these excluded costs prior to budget approval.

The tables on the following pages show the 2020 to 2022 approved budgets and the 2023 amended budget plus adjustments to comply with PSAB format, including the following items:

1. Expenses for the amortization of tangible capital assets.
2. Reserve fund contributions and pay as you go contributions for capital asset additions.
3. The current year's post-employment benefit expense for early retirement and accrued sick leave for employees that are eligible for these benefits. The City's consolidated liability as at December 31, 2021 was \$196.0 million. Reserve fund balances of \$170.9 million as of December 31, 2021 are available to offset this obligation. The City makes reserve fund contributions to offset the liabilities created from post-employment expenses depending upon generated surpluses and personnel cost savings.
4. The City has a landfill closure and post-closure liability of \$51.7 million. The Sanitary Landfill Reserve Fund, with a balance of \$28.3 million as of December 31, 2021, is for sanitary landfill activity and funds could be utilized to partially offset this liability.

If the above items were included in the 2020 to 2023 budgets, the projected annual PSAB surplus would increase.

Reconciliation of Property Tax Budget to PSAB Financial Statement Budget (\$ Thousands)

Tax Supported Budget	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget
Property Tax	642,901	673,581	701,849	736,458
Government Grants and Subsidies	225,409	225,963	227,315	229,069
User Fees	54,445	56,227	58,303	59,358
Municipal Revenues - Other	75,181	77,611	79,225	83,296
Municipal Revenues - Transfers from Capital	0	0	168	216
Municipal Revenues - Transfers from Reserves and Reserve Funds	9,848	8,257	11,804	8,884
Total Revenues	1,007,784	1,041,639	1,108,664	1,117,281
Personnel Costs	376,301	394,144	413,138	424,397
Administrative Expenses	7,360	7,395	7,432	7,460
Financial Expenses - Other	11,230	11,268	11,298	11,329
Financial Expenses - Interest and Discount on Long-term Debt	4,941	4,440	4,267	4,168
Financial Expenses - Debt Principal Repayments	31,200	30,420	27,914	27,755
Financial Expenses - Transfers to Reserves and Reserve Funds	66,484	68,190	71,410	72,253
Financial Expenses - Transfers to Capital	49,675	51,269	55,161	54,736
Purchased Services	214,230	225,568	262,544	241,628
Materials and Supplies	39,922	39,155	39,842	39,891
Vehicle and Equipment	25,078	25,827	26,416	26,345
Transfers	201,101	204,123	209,779	215,794
Other Expenses	941	1,094	1,086	13,349
Recovered Expenses	-20,679	-21,254	-21,623	-21,824
Total Expenses	1,007,784	1,041,639	1,108,664	1,117,281
Net Surplus (Deficit) Per Budget	0	0	0	0

Subject to rounding.

PSAB Reporting Requirements Reconciliation – Property Tax Supported Budget (\$ Thousands)

Reconciliation Type	Description	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget
	Projected Net PSAB Surplus	134,916	105,390	120,618	134,862
Addback Revenue	Transfers from Capital	0	0	168	216
Addback Revenue	Transfers from Reserves and Reserve Funds	9,848	8,257	11,804	8,884
Deduct Expense	Transfers to Reserves and Reserve Funds	-66,484	-68,190	-71,410	-72,253
Deduct Expense	Transfers to Capital	-49,675	-51,269	-55,161	-54,736
Deduct Expense	Debt principal repayments	-31,200	-30,420	-27,914	-27,755
PSAB Adjustment	Capital program funding earned in year ¹	-92,221	-50,814	-79,374	-103,097
PSAB Adjustment	Capital projects not resulting in tangible capital assets ²	45,182	33,244	50,764	61,676
PSAB Adjustment	Amortization ³	90,521	95,025	99,811	104,874
PSAB Adjustment	Developer contributions of assumed tangible capital assets ⁴	-19,662	-20,562	-21,980	-23,698
PSAB Adjustment	Loss on disposal of tangible capital assets ⁵	1,707	1,595	1,566	1,572
PSAB Adjustment	Obligatory reserve fund deferred revenue earned in year - DC, Canada Community-Building Fund ⁶	-23,266	-22,006	-23,611	-26,044
PSAB Adjustment	Government Business Enterprises adjustments ⁷	-6,350	-6,089	-7,089	-6,930
PSAB Adjustment	Other	514	514	-5,069	-4,124
PSAB Adjustment	Landfill liability ⁸	2,455	2,059	2,296	2,304
PSAB Adjustment	Employee future benefit liability ⁹	3,715	3,266	4,581	4,249
	Net Surplus (Deficit) Per Budget	0	0	0	0

Subject to rounding.

Reconciliation of Water Budget to PSAB Financial Statement Budget (\$ Thousands)

Water Budget	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget
Property Tax	0	0	0	0
Draft Budget Amendments	0	0	0	0
Government Grants and Subsidies	0	0	0	0
User Fees	84,604	87,353	90,395	93,560
Municipal Revenues - Other	135	135	135	135
Municipal Revenues - Transfers from Capital	0	0	0	0
Municipal Revenues - Transfers from Reserves and Reserve Funds	0	0	0	0
Total Revenues	84,739	87,488	90,530	93,695
Personnel Costs	9,687	11,461	12,178	12,424
Administrative Expenses	3,231	3,281	3,330	3,380
Financial Expenses - Other	74	74	74	74
Financial Expenses - Interest and Discount on Long-term Debt	24	13	7	3
Financial Expenses - Debt Principal Repayments	327	337	105	108
Financial Expenses - Transfers to Reserves and Reserve Funds	13,741	14,362	15,434	16,366
Financial Expenses - Transfers to Capital	20,793	21,414	22,054	22,713
Purchased Services	3,030	3,088	3,152	3,215
Materials and Supplies	29,790	30,900	32,039	33,209
Vehicle and Equipment	1,608	1,652	1,686	1,730
Transfers	0	0	0	0
Other Expenses	2,759	2,765	2,771	2,774
Recovered Expenses	-325	-1,859	-2,300	-2,301
Total Expenses	84,739	87,488	90,530	93,695
Net Surplus (Deficit) Per Budget	0	0	0	0

Subject to rounding.

PSAB Reporting Requirements Reconciliation – Water Rate Supported Budget (\$ Thousands)

Reconciliation Type	Description	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget
	Projected Net PSAB Surplus	20,570	21,902	19,901	25,441
Addback Revenue	Transfers from Capital	0	0	0	0
Addback Revenue	Transfers from Reserves and Reserve Funds	0	0	0	0
Deduct Expense	Transfers to Reserves and Reserve Funds	-13,741	-14,362	-15,434	-16,366
Deduct Expense	Transfers to Capital	-20,793	-21,414	-22,054	-22,713
Deduct Expense	Debt principal repayments	-327	-337	-105	-108
PSAB Adjustment	Capital program funding earned in year ¹	-1,388	-1,421	1,862	-1,425
PSAB Adjustment	Capital projects not resulting in tangible capital assets ²	6,333	5,505	6,171	5,383
PSAB Adjustment	Amortization ³	17,881	18,771	19,716	20,717
PSAB Adjustment	Developer contributions of assumed tangible capital assets ⁴	-7,011	-7,017	-7,660	-8,517
PSAB Adjustment	Loss on disposal of tangible capital assets ⁵	686	485	582	544
PSAB Adjustment	Obligatory reserve fund deferred revenue earned in year - DC, Canada Community-Building Fund ⁶	-1,728	-1,515	-1,614	-1,774
PSAB Adjustment	Government Business Enterprises adjustments ⁷	0	0	0	0
PSAB Adjustment	Other	-580	-683	-1,486	-1,294
PSAB Adjustment	Landfill liability ⁸	0	0	0	0
PSAB Adjustment	Employee future benefit liability ⁹	98	86	121	112
	Net Surplus (Deficit) Per Budget	0	0	0	0

Subject to rounding.

Reconciliation of Wastewater and Treatment Budget to PSAB Financial Statement Budget (\$ Thousands)

Wastewater and Treatment Budget	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget
Property Tax	0	0	0	0
Draft Budget Amendments	0	0	0	0
Government Grants and Subsidies	30	30	30	30
User Fees	105,660	109,097	112,828	116,704
Municipal Revenues - Other	810	810	810	810
Municipal Revenues - Transfers from Capital	0	0	0	0
Municipal Revenues - Transfers from Reserves and Reserve Funds	0	0	0	0
Total Revenues	106,500	109,937	113,668	117,544
Personnel Costs	17,356	17,915	18,574	19,201
Administrative Expenses	5,464	5,546	5,629	5,714
Financial Expenses - Other	0	0	0	0
Financial Expenses - Interest and Discount on Long-term Debt	1,094	847	631	486
Financial Expenses - Debt Principal Repayments	8,654	8,346	5,207	4,239
Financial Expenses - Transfers to Reserves and Reserve Funds	29,361	31,824	37,862	41,148
Financial Expenses - Transfers to Capital	21,764	22,395	23,046	23,717
Purchased Services	3,493	3,549	3,609	3,670
Materials and Supplies	11,635	11,682	11,132	11,240
Vehicle and Equipment	2,994	3,048	3,096	3,150
Transfers	2,788	2,854	2,921	2,991
Other Expenses	7,328	7,373	7,443	7,501
Recovered Expenses	-5,431	-5,442	-5,482	-5,513
Total Expenses	106,500	109,937	113,668	117,544
Net Surplus (Deficit) Per Budget	0	0	0	0

Subject to rounding.

PSAB Reporting Requirements Reconciliation – Wastewater and Treatment Rate Supported Budget
(\$ Thousands)

Reconciliation Type	Description	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget
	Projected Net PSAB Surplus	34,954	30,407	37,260	37,570
Addback Revenue	Transfers from Capital	0	0	0	0
Addback Revenue	Transfers from Reserves and Reserve Funds	0	0	0	0
Deduct Expense	Transfers to Reserves and Reserve Funds	-29,361	-31,824	-37,862	-41,148
Deduct Expense	Transfers to Capital	-21,764	-22,395	-23,046	-23,717
Deduct Expense	Debt principal repayments	-8,654	-8,346	-5,207	-4,239
PSAB Adjustment	Capital program funding earned in year ¹	-5,082	-1,046	-4,092	-4,710
PSAB Adjustment	Capital projects not resulting in tangible capital assets ²	11,887	12,737	11,757	12,837
PSAB Adjustment	Amortization ³	48,719	51,143	53,718	56,443
PSAB Adjustment	Developer contributions of assumed tangible capital assets ⁴	-20,695	-21,037	-21,204	-21,446
PSAB Adjustment	Loss on disposal of tangible capital assets ⁵	588	574	593	584
PSAB Adjustment	Obligatory reserve fund deferred revenue earned in year - DC, Canada Community-Building Fund ⁶	-9,900	-9,486	-10,191	-11,343
PSAB Adjustment	Government Business Enterprises adjustments ⁷	0	0	0	0
PSAB Adjustment	Other	-867	-881	-1,942	-1,031
PSAB Adjustment	Landfill liability ⁸	0	0	0	0
PSAB Adjustment	Employee future benefit liability ⁹	175	154	216	200
	Net Surplus (Deficit) Per Budget	0	0	0	0

Subject to rounding.

PSAB Reconciliation Notes

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 is based on the approved capital budget for the respective years 2020 to 2023.
2. For PSAB purposes, any expenses not considered to be part of the cost of a tangible capital asset are expensed as operating expenses. Therefore, although funded through capital, these expenses will be included in the operating expenses in the year incurred and will be reflected in the Statement of Operations on the financial statements. Estimated based on 13.86% of the capital expenditure budget, based on 2019 actuals.
3. Represents the annual write down of the tangible capital assets over the useful life of the asset. Estimated annual average increase of 4.79% based on 5 year rolling average.
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 estimated fair market value during the year of assumption. These assets are predominantly comprised of roads infrastructure. Estimate based on 5 year rolling average.
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 rolling average.
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 Canada Community-Building Fund grants 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 rolling average.
8. Represents the annual increase in the estimated future cost of post-closure related to landfills. Estimate based on 5 year rolling average.
9. Represents the annual change in the estimated future costs of employee benefits. Estimate based on 5 year rolling average.

Property Tax Supported Budget

2020 to 2023 Multi-Year Budget Recap

On March 2, 2020, Municipal Council approved the 2020 to 2023 Multi-Year Budget, marking the second time the City has approved a four-year budget. The 2020 to 2023 budget resulted in a 3.9% average annual property tax rate increase. This was comprised of a base operating budget (to maintain existing service levels) average annual increase of 3.0%, which also included Municipal Council approved provincial impacts, eight Municipal Council approved business cases for tax levy reductions resulting in an average annual reduction of 0.2%, and 24 Municipal Council approved business cases for additional investment which resulted in an additional average annual increase of 1.1%.

On January 12th, 2021, Municipal Council approved the 2021 Annual Budget Update. This was the first annual update to the 2020 to 2023 Multi-Year Budget. As part of the 2021 Annual Budget Update, Municipal Council approved a total of 11 budget amendments that were the result of new or changed provincial regulation, new Council direction, or an unanticipated cost or revenue driver. After the first annual update to the 2020 to 2023 Multi-Year Budget, the four-year average annual increase from rates was 3.8%.

On December 21st, 2021, Municipal Council approved 12 budget amendments through the 2022 Annual Budget Update, and the four-year average annual increase from rates was reduced to 3.6%.

On February 14th, 2023, Municipal Council approved 15 budget amendments through the 2023 Annual Budget Update, and the four-year average annual increase from rates was reduced to 3.4%

2020 to 2023 Multi-Year Budget Tax Levy Summary	2020 to 2023 Average % Increase
2020 Budget to Maintain Existing Service Levels ^{1, 2}	2.9%
Total 2020 Business Cases (Additional Investments and Tax Levy Reductions)	0.9%
2020 % Increase from Rates	3.8%
2021 Budget Amendments Approved by Council	0.0%
2021 Amended % Increase from Rates	3.8%
2022 Budget Amendments Approved by Council	-0.2%
2022 Amended % Increase from Rates	3.6%
2023 Budget Amendments Approved by Council	-0.2%
2023 Amended % Increase from Rates	3.4%

Subject to rounding.

Notes

1. Previously approved rates are recalculated taking into account assessment growth impact in each year of annual update of the Multi-Year Budget period.
2. Budget to maintain existing service levels includes provincial impact decisions made as part of the 2020 to 2023 Multi-Year Budget.

Appendix E contains a detailed and itemized breakdown of the business cases approved as part of the 2020 to 2023 Multi-Year Budget and their impacts.

In addition to the operating budget, Municipal Council also approved a 2020 to 2023 Multi-Year Capital Budget totalling \$1.2 billion as well as approving in principle a six-year forecast resulting in a ten-year capital plan (2020 to 2029) of approximately \$2.8 billion.

2020 to 2023 Multi-Year Capital Budget	2024 to 2029 Capital Forecast	2020 to 2029 Capital Plan
\$1,224,833,000	\$1,528,599,000	\$2,753,432,000

Subject to rounding.

2023 Annual Budget Update

COVID-19 Pandemic

COVID-19 continues to result in financial impacts to the City's Property Tax Supported Budget. The City continues to incur lost revenues and additional costs related to COVID-19. Based on forecasts included in the City's 2022 Mid-Year Operating Budget Monitoring Report, total projected COVID-19 related financial impacts to the 2022 Property Tax Supported Budget are estimated to be in excess of \$30 million. However, Federal and Provincial funding support combined with net operational savings are projected to be sufficient to cover the residual deficit impacts of COVID-19 in 2022.

Despite the magnitude of financial impact to the 2022 Property Tax Supported Budget, impacts have been gradually declining in 2022 in comparison to prior years, as public health restrictions have generally been lifted and the City and community move past the pandemic to recovery.

The City must continue to be mindful of impacts into 2023 and future years. It is critical that the City remain cognizant of permanent changes to behaviours and community trends. In light of the previously mentioned financial impacts and continued uncertainty as it relates to the potential impacts of COVID-19 on the City's Multi-Year Budget, guidance was issued to service areas to support the 2023 Annual Budget Update process. The following principles were established:

Operating Budget:

Consistent with the guidance provided as part of the 2021 and 2022 Budget Updates, all civic service areas and agencies, boards and commissions (ABC's) were required to remain within their 2023 operating budget allocation. Unless there was specific direction from Municipal Council to bring forward a budget amendment, only amendments resulting in net budget reductions were to be included in the 2023 Annual Budget Update for Municipal Council's consideration. If a civic service area or ABC believed they required an increase to their 2023 operating budget, advanced approval from the City Treasurer would have been required prior to proceeding with the development of the budget amendment, which would need to be supported by strong rationale and be unavoidable.

Capital Budget:

Increases to the 10-year capital plan with a tax levy impact were not permitted except with advanced approval from the City Treasurer and would require strong rationale and be unavoidable to be supported. Only the following capital budget amendments were permitted for Municipal Council's consideration:

- Budget amendments resulting in reductions to the 10-year capital plan;
- Budget amendments resulting in no net change to the 10-year capital plan (i.e. adjustments to project timing only), subject to the ability of the associated funding sources to accommodate the change;
- Budget amendments resulting in an increase to the 10-year capital plan with no tax levy impact and advanced approval from the City Treasurer supported by strong rationale and be unavoidable; and

- Budget amendments resulting in an increase to the 10-year capital plan, as directed by Council resolution.

Linkage to Service Review Program:

As outlined in the October 11, 2022 “Service Review Initiatives Update” report to the Strategic Priorities and Policy Committee, Civic Administration remains committed to enhancing the efficiency and effectiveness of City of London services while minimizing the cost to taxpayers. In preparing the 2020 to 2023 Multi-Year Budget, more than \$17 million of incremental reductions were incorporated in the approved budget by 2023 based on an analysis of past spending, projected needs and service levels.

Furthermore, as part of the 2021 and 2022 Annual Budget Update processes, multiple budget amendments were also presented and approved by Council based on right-sizing of budget resources to anticipate needs for those respective years. The 2021 budget amendments included reductions totaling approximately \$5.8 million. For the 2022 Budget Update, Budget Amendments #P-1 and #P-5 included the budget right-sizing opportunities identified (approximately 20 in total from across the Corporation), which totaled approximately \$5.5 million for 2022 and approximately \$2.3 million of permanent savings thereafter.

In preparation for the 2023 Annual Budget Update, Civic Administration conducted budget reviews to ensure resources are aligned with current service level requirements. These reviews are supported through techniques such as zero-based budget reviews and trend analysis, among others. As a result of this work, potential reductions to the 2023 tax levy were identified in the amount of \$6.6 million, which are reflected in Budget Amendment #P-1: Budget Right Sizing. Additional reductions are proposed in Budget Amendment #P-2 related to previously approved provincial impacts which can be deferred for 2023.

Budget Amendment Overview

The 2023 annual tax levy increase decreased from 3.9% to 3.1% based on Council’s approvals of certain budget amendments. Not all budget amendments (or their various parts) that were presented as part of the draft budget were approved.

Approved Budget Amendment Overview

Budget Amendment Summary (\$ Thousands)	2023 Tax Levy Impact
Case #P-1 (Operating): Various Services – Budget Right Sizing	-6,581
Case #P-2 (Operating): Ontario Works and Children’s Services – Reduction in Required 2023 Investments	-1,030
Case #P-3 (Operating): Roadmap to 3,000 Affordable Units – Portable Benefits & Staff Resources	1,794
Case #P-4 (Operating): Project Clean Slate	200
Case #P-5 (Operating): Cybersecurity Infrastructure Expansion and Updates	1,009
Case #P-6 (Operating): 1001 Inventions Exhibit	0
Case #P-7 (Operating): Land Ambulance – Additional Resources to Address Service Pressures	0
Case #P-8 (Capital): Realignment and Adjustment of Transportation Capital Growth Project Budgets	0
Case #P-9 (Capital): Project Timeline and Funding Realignment – Regeneration of Public Housing	0
Case #P-10 (Operating): Reduction to Previously Approved “For Consideration” Business Cases for Streetlights and Winter Maintenance, and Walkway Maintenance Reductions (Parts A and B)	-196
Case #P-11 (Operating): Reduction in Horticulture Aesthetics	-200
Case #P-14 (Operating): Humane Society of London & Middlesex Animal Campus	0
Case #P-16 (Operating): Funding for the Hamilton Road BIA	100
Case #P-17 (Operating): Reduction to Previously Approved “For Consideration” Business Case – Infrastructure Gap RF Contribution (Amended)	-475
Case #P-18 (Capital): Streetscape Master Plan for Dundas Street – Argyle BIA	0
Annual Tax Levy Impact	-5,379

Subject to rounding.

The following budget amendments/components were not approved: P-10 Part C; P-12; P-13; P-15. Budget Amendments P-13 and P-15 were referred to the next multi-year budget.

P14 and P-17 were approved as amended by Council during budget deliberations. The funding source for P-14 was amended from the Community Investment Reserve Fund to the Operating Budget Contingency Reserve. P-17 was amended from a \$950 thousand reduction to the tax levy to a \$475 thousand reduction.

Budget Amendment Overview

A summary of all budget amendments presented to Council are listed below. A Council Approval Note is included for cases that were amended or not approved. For further details on the budget amendments presented to Council, please refer to the budget amendment business cases (2023 Annual Budget Update Amendment Cases).

Operating Budget Amendment Case #P-1: Cost/Revenue Driver

Various Services – Reductions due to zero-based reviews and other budget right-sizing

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	-2,900
Revenue	-3,682
Annual Tax Levy Impact	-6,581

Subject to rounding.

Capital Budget Amendment (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	-475	-475	-2,850	-3,325
Source of Financing: Capital Levy	0	0	0	475	475	2,850	3,325
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

Civic Administration conducts regular reviews of its budgets to ensure resources are aligned with current service level requirements. These reviews are supported through techniques such as zero-based budget reviews and trend analysis, among others. As a result of this work, Civic Administration has identified permanent budget reductions and budget right-sizing (reduced expenditures and increased revenues) that can be implemented without impacting service levels.

Operating Budget Amendment Case #P-2: Cost/Revenue Driver

Ontario Works and Children's Services - Reduction in Required 2023 Investments

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	-620
Revenue	-410
Annual Tax Levy Impact	-1,030

Subject to rounding.

Description:

In the 2020 to 2023 Multi-Year Budget, Council approved additional funding for the Ontario Works Program in light of Provincial funding changes. As a result of the COVID-19 pandemic and associated recovery benefits, the Ontario Works program has experienced a decreased caseload along with a decrease in employment related expenses. While caseload has seen growth in 2022, it has not reached the level experienced pre-COVID. Based on the timing of continued caseload increase, part of the investment approved in the 2020 to 2023 Multi-Year Budget can be reduced without service impact.

In 2020, the Ministry of Education announced changes to Child Care administrative cost sharing. This resulted in a budget request of an additional \$410 thousand per year from 2021 to 2023 in the Multi-Year Budget. For 2022, the Ministry communicated the change in municipal cost share would not be required; if cost share requirements are reinstated in 2023, transitional funding received in 2021 and 2022 can be utilized to offset 2023 costs. In addition, the development of anticipated child care centres has been delayed due to COVID-19, resulting in savings in 2023 to the municipal portion of Child Care Expansion Plan Funding.

Operating Budget Amendment Case #P-3: New Council Direction

Roadmap to 3,000 Affordable Units – Portable Benefits & Staff Resources

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	1,794
Revenue	0
Annual Tax Levy Impact	1,794

Subject to rounding.

Description:

On December 7, 2021, Council approved the Roadmap to 3,000 Affordable Units Action Plan, and directed a business case be brought forward to the 2023 Annual Budget Update to establish a permanent funding source for the portable housing benefit program and

staffing resources required to support the Plan. The portable housing benefit program will provide rent allowances and supplements to tenants to allow access to available market units and is critical to the overall Roadmap.

Operating Budget Amendment Case #P-4: New Council Direction Project Clean Slate

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	200
Revenue	0
Annual Tax Levy Impact	200

Subject to rounding.

Description:

Operated by Youth Opportunities Unlimited (YOU) beginning in 2021, Project Clean Slate helps to address the issue of loose trash and garbage on private property in the Core Area, while also providing employment and development opportunities for youth engaged in YOU programming. Using reallocations within existing budgets, Council funded the Project in 2021 and 2022. This amendment is to establish permanent funding for the program starting in 2023.

Operating Budget Amendment Case #P-5: New Council Direction Cybersecurity Infrastructure Expansion and Updates

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	1,009
Revenue	0
Annual Tax Levy Impact	1,009

Subject to rounding.

Capital Budget Amendment (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	142	142	0	142
Source of Financing: Technology Services Renewal Reserve Fund	0	0	0	-142	-142	0	-142
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

The ITS Division faces new and rapidly evolving cybersecurity threats that put the Corporation at significant operational and financial risk in the event of a successful attack. Approval of this amendment will reduce risks to the City of London and enhance information security's defensive measures.

Operating Budget Amendment Case #P-6: New Council Direction

1001 Inventions Exhibit

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	125
Revenue	-125
Annual Tax Levy Impact	0

Subject to rounding.

Description:

On February 15, 2022, Council resolved that the recommendations of A London for Everyone: An Action Plan to Disrupt Islamophobia be endorsed. One such recommendation is to explore the feasibility of bringing the 1001 Inventions exhibition to London in October 2023. 1001 Inventions is a not-for-profit award-winning international science and cultural heritage organization that raises awareness of the creative golden age of Arabic Science. Revenue to support this expenditure is to be drawn from the Community Investment Reserve Fund.

Operating Budget Amendment Case #P-7: Cost Driver

Land Ambulance – Additional Resources to Address Service Pressures

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	1,759
Revenue	-1,759
Annual Tax Levy Impact	0

Subject to rounding.

Description:

On September 7, 2022, notification was received from County of Middlesex of the anticipated 2023 budget for Middlesex-London Paramedic Service; the City of London's share represents an increase from the previously approved 2023 budget. The 2023 increase is proposed to be funded through Assessment Growth revenue in accordance with the Council approved Assessment Growth Policy.

Capital Budget Amendment Case #P-8: Cost Driver

Realignment and Adjustment of Transportation Capital Growth Projects

Capital Budget Amendment (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	-10,225	-10,225	25,329	15,104
Source of Financing: Capital Levy, Tax Supported Debenture, Development Charges via City Services Roads Reserve Fund	0	0	0	10,225	10,225	-25,329	-15,104
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

These are large, complex projects that have and/or are progressing through planning and environmental assessment stages which have provided better information to inform the required budgets and their timing.

Capital Budget Amendment Case #P-9: Cost Driver

Project Timeline and Funding Realignment – Regeneration of Public Housing

Capital Budget Amendment (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	21,000	21,000	-21,000	0
Source of Financing: Tax Supported Debenture	0	0	0	-21,000	-21,000	21,000	0
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

Amending the timing of funds received through 2020 to 2023 Additional Investment Business Case #21 – Regeneration of Public Housing - will allow LMCH to complete Phase 1 of this project while simultaneously allowing development of a fulsome Regeneration Strategy for the entire LMCH portfolio.

Operating Budget Amendment Case #P-10: Cost Driver

Reduction to Previously Approved “For Consideration” Business Cases for Streetlights and Winter Maintenance, and Walkway Maintenance Reductions

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	-936
Revenue	0
Annual Tax Levy Impact	-936

Subject to rounding.

Capital Budget Amendment (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	-200	-200	-1,200	-1,400
Source of Financing: Capital Levy and Other Contributions	0	0	0	200	200	1,200	1,400
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

This budget amendment has three parts and has been proposed to help alleviate tax levy pressures through adjusting the funding approach for the previously approved additional investment in Local Improvements for Streetlights, reducing annual walkway maintenance during summers, and reducing the previously approved additional investment in winter maintenance for sidewalks.

Council Approval Note: Municipal Council approved Case #P-10a to reduce the previously approved additional investment in local improvement for streetlights and Case #P-10b to reduce annual walkway maintenance. Council did not approved Case #P-10c to reduce the previously approved additional investment in Winter Maintenance. The amended impact of approval of Case #P-10a and #P-10b for 2023 is as follows: Operating Expenditure -\$196 thousand; Operating Revenue \$0; Tax Levy -\$196 thousand; Capital Expenditure -\$200 thousand.

Operating Budget Amendment Case #P-11: Cost Driver

Reduction in Horticulture Aesthetics

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	-200

Operating Budget Amendment (\$ Thousands)	2023
Revenue	0
Annual Tax Levy Impact	-200

Subject to rounding.

Description:

A reduction to horticulture displays has been identified as a potential budget savings opportunity. This could include the reduction/elimination of the Hanging Basket Program, winter horticultural displays in the core and other horticultural beds that will be grassed in.

Operating Budget Amendment Case #P-12: Cost Driver Reduction to Neighbourhood Playground Program Locations

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	-250
Revenue	0
Annual Tax Levy Impact	-250

Subject to rounding.

Description:

The Neighbourhood Playground Program is a free summer program for children aged 6 to 12 with limited registration. The program has been identified as a potential budget saving opportunity, and this amendment would see the program reduced from 22 full day sites to 10 full day sites.

Council Approval Note: Municipal Council did not approve Case #P-12.

Operating Budget Amendment Case #P-13: Cost Driver Eliminate Printing of Council Agenda Materials

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	-8
Revenue	0
Annual Tax Levy Impact	-8

Subject to rounding.

Description:

By ceasing the printing of Council Agenda materials and relying on distribution of electronic copies of such materials, the City can avoid costs of paper and print impression reductions. Further savings in associated print technology and print room labour would be realized following the conclusion of the current Print Room contract in November 2024.

Council Approval Note: Municipal Council deferred this business case to the 2024-2027 Multi-Year Budget

Operating Budget Amendment Case #P-14: Cost Driver Humane Society of London & Middlesex Animal Campus

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	3,000
Revenue	-3,000
Annual Tax Levy Impact	0

Subject to rounding.

Description:

This amendment is a \$3 million request from Humane Society of London & Middlesex that has been referred from the London Community Grants Program Community Review Panel as it was in excess of the available program budget. The one-time grant would support the construction of a new Animal Campus in London and is anticipated to be sourced by a drawdown from the Community Investment Reserve Fund if approved. Should the balance of this reserve fund be insufficient to fund the entire initiative, the remaining funding will be drawn from the Operating Budget Contingency Reserve.

Council Approval Note: Municipal Council amended the source of funding for this grant from the Community Investment Reserve Fund to the Operating Budget Contingency Reserve.

Operating Budget Amendment Case #P-15: New Council Direction Increase to Neighbourhood Decision Making Program

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	250
Revenue	0
Annual Tax Levy Impact	250

Subject to rounding.

Description:

During the August 2nd, 2022 Council Meeting, Council directed staff to include a business case in the 2023 Annual Budget Update for expanding the Neighbourhood Decision Making Program (NDM) by doubling the tax levy funding. The NDM Program engages thousands of residents annually through idea submission and voting. Additional investment in NDM would increase funding available to neighbourhoods, the number of projects considered feasible, and potentially the number of projects implemented.

Council Approval Note: Municipal Council deferred this business case to the 2024-2027 Multi-Year Budget

Operating Budget Amendment Case #P-16: New Council Direction

Funding for the Hamilton Road BIA

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	100
Revenue	0
Annual Tax Levy Impact	100

Subject to rounding.

Description:

The budget request from Hamilton Road BIA, dated October 22, 2021, was deferred by Municipal Council to be brought forward as a full business case as part of the 2023 Annual Budget Update. If approved, an annual grant from the City to support the Hamilton Road BIA will be funded through the property tax levy.

Operating Budget Amendment Case #P-17: Cost Driver

Reduction to Previously Approved “For Consideration” Business Case – Infrastructure Gap

Operating Budget Amendment (\$ Thousands)	2023
Expenditure	-950
Revenue	0
Annual Tax Levy Impact	-950

Subject to rounding.

Description:

This amendment would reduce the Council approved 2020 to 2023 Additional Investment Business Case #4B – City of London Infrastructure Gap. This additional investment provides for increased tax supported contributions to the Infrastructure Gap Reserve Fund to mitigate growth in the City’s approximate \$666.9 million 10-year infrastructure gap. Approval of this amendment would result in

a decreased contribution of \$950 thousand per year to the Infrastructure Gap Reserve Fund starting in 2023 as a budget reduction opportunity.

Council Approval Note: Municipal Council amended this business case to decrease the contribution by \$475 thousand per year to the Infrastructure Gap Reserve Fund. The amended impact for 2023 is as follows: Operating Expenditure -\$475 thousand; Operating Revenue \$0; Tax Levy -\$475 thousand.

Capital Budget Amendment Case #P-18: New Council Direction

Streetscape Master Plan for Dundas Street – Argyle BIA

Capital Budget Amendment (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	150	150	0	150
Source of Financing: Community Investment Reserve Fund	0	0	0	-150	-150	0	-150
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

As per Council direction, this amendment pertains to developing a Streetscape Master Plan for the Argyle portion of the Dundas Street Corridor, supporting the London Plan vision for Urban Corridors as high-quality spaces with neighborhood amenities including parks, civic spaces and attractive outdoor seating areas, accessible to the public.

2024 to 2027 Multi-Year Budget

The 2023 Annual Budget Update represents the final year of the City of London’s 2020-2023 Multi-Year Budget. As the City looks beyond the 2023 budget, it will turn its attention into developing its third multi-year-budget, which will cover the years 2024 to 2027. With the completion of the 2022 fall election, the newly elected Municipal Council has begun to work on its Strategic Plan. As before, the City’s Multi-Year-Budget is the mechanism that aids in putting Council’s Strategic Plan to action. It is anticipated that development of the next Multi-Year Budget will begin in early 2023 with both target setting and confirmation of the City’s Multi-Year-Budget Policy.

Operating Summary

2020 to 2023 Multi-Year Operating Budget (\$ Thousands)

Operating Budget	2020 Tax Levy Revenue	2021 Tax Levy Revenue	2022 Tax Levy Revenue	2023 Tax Levy Revenue
Previously Approved % Increase From Rates ¹	4.4%	3.4%	2.8%	3.9%
Previously Approved Budget	642,901	673,581	701,849	741,837
Amendment ²				-5,379
Amended Budget	642,901	673,581	701,849	736,458
Incremental Increase/ Decrease				-5,379
Amended % Increase From Rates	4.4%	3.4%	2.8%	3.1%

Subject to rounding.

Notes

1. Previously approved rates are recalculated taking into account assessment growth impact in each year of annual update of the Multi-Year Budget period.
2. Amendment reflects impacts of all budget amendments as applicable.

2020 to 2023 Annual Cost of Municipal Services – Average Residential Property

Operating Budget	2020	2021	2022	2023	2020 to 2023 Average
Previously Approved Annual Cost of Municipal Services	2,966	3,067	3,153	3,275	3,115
Impact from Amendments ²				-24	-6
Amended Annual Cost of Municipal Services	2,966	3,067	3,153	3,251	3,109

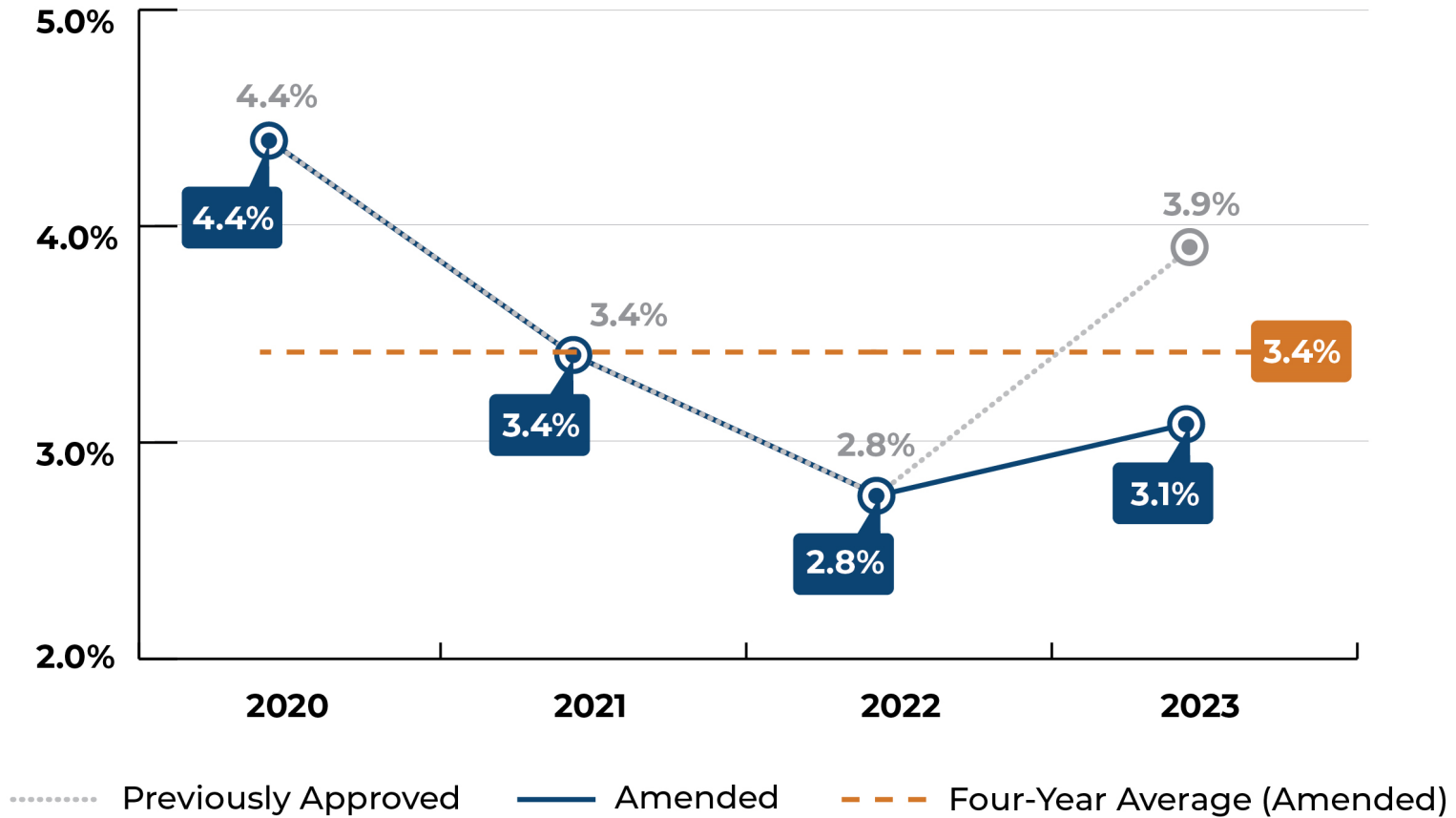
Subject to rounding.

Notes

1. Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).
2. Amendment reflects impacts of all budget amendments as applicable.



2020 to 2023 Multi-Year Budget Annual Tax Levy Increase



Note: Previously approved rates are recalculated taking into account assessment growth impact in each year of annual update of the Multi-Year Budget period.

Capital Summary

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

Capital Budget Summary (\$ Thousands)

Property Tax Supported Capital Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	326,074	239,916	567,398	437,287	1,570,675	1,458,333	3,029,007
Total Amended Budget	326,074	239,916	567,398	447,680	1,581,067	1,458,611	3,039,678
Total Amended Budget Increase/Decrease	0	0	0	10,392	10,392	279	10,671
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Levy (CL)	0	0	0	595	595	3,527	4,122
Debenture (D)	0	0	0	-20,172	-20,172	18,292	-1,880
Reserve Fund (RF)	0	0	0	-292	-292	0	-292
Other (O)	0	0	0	0	0	0	0
Non-tax Supported (NTS)	0	0	0	9,477	9,477	-22,098	-12,621
Total Source of Financing Increase/Decrease	0	0	0	-10,392	-10,392	-279	-10,671
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Note:

At the December 13, 2022, Municipal Council meeting, which occurred after tabling of the 2023 Annual Budget Update, Council approved the recommendations of the report entitled [Investing in Canada Infrastructure Program Public Transit Stream \(ICIP-PTS\) – London Transit Commission Highbury Avenue Facility Demolition and Rebuild – Project 1](#). This report resulted in material budget adjustments to the City's 2020 to 2029 capital plan. As this occurred after the production of the City's draft budget, these adjustments are now reflected in the tables throughout the approved budget document and were incorporated into the figures approved during deliberations of the 2023 Annual Budget Update.

Capital Budget by Classification (\$ Thousands)

Budget Classification	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Lifecycle Renewal Total Approved Budget	105,569	93,994	106,458	98,718	404,739	633,148	1,037,887
Lifecycle Renewal Total Amended Budget	105,569	93,994	106,458	98,385	404,406	630,298	1,034,704
Lifecycle Renewal Increase/Decrease	0	0	0	-333	-333	-2,850	-3,183
Growth Total Budget	124,545	111,599	206,568	246,650	689,363	541,834	1,231,197
Growth Total Amended Budget	124,545	111,599	206,568	236,425	679,138	567,163	1,246,301
Growth Increase/Decrease	0	0	0	-10,225	-10,225	25,329	15,104
Service Improvement Total Budget	95,960	34,323	254,371	91,919	476,573	283,350	759,924
Service Improvement Total Amended Budget	95,960	34,323	254,371	112,869	497,524	261,150	758,674
Service Improvement Increase/Decrease	0	0	0	20,950	20,950	-22,200	-1,250
Total Amended Budget Increase/Decrease	0	0	0	10,392	10,392	279	10,671

Subject to rounding.

Lifecycle Renewal Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	105,569	93,994	106,458	98,718	404,739	633,148	1,037,887
Total Amended Budget	105,569	93,994	106,458	98,385	404,406	630,298	1,034,704
Total Amended Budget Increase/Decrease	0	0	0	-333	-333	-2,850	-3,183
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Levy (CL)	0	0	0	475	475	2,850	3,325
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	-142	-142	0	-142
Other (O)	0	0	0	0	0	0	0
Non-tax Supported (NTS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	0	333	333	2,850	3,183
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Growth Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	124,545	111,599	206,568	246,650	689,363	541,834	1,231,197
Total Amended Budget ¹	124,545	111,599	206,568	236,425	679,138	567,163	1,246,301
Total Amended Budget Increase/Decrease	0	0	0	-10,225	-10,225	25,329	15,104
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Levy (CL)	0	0	0	0	0	-43	-43
Debenture (D)	0	0	0	828	828	-2,708	-1,880
Reserve Fund (RF)	0	0	0	0	0	0	0
Other (O)	0	0	0	0	0	0	0
Non-tax Supported (NTS)	0	0	0	9,397	9,397	-22,578	-13,181
Total Source of Financing Increase/Decrease	0	0	0	10,225	10,225	-25,329	-15,104
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Notes

1. The next steps for projects impacted by the Climate Lens screening, such as the Wonderland Road Widening, were discussed at the August 31, 2021, Civic Works Committee, via the report titled "Outcome of Climate Lens Screening Applied to Major Transportation Projects". Based on the approved recommendations from this report, the Multi-Year Growth Budget will be adjusted during the next appropriate cycle. Capital plan adjustments for these specific projects are not available for the 2023 Annual Budget Update.

Service Improvement Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	95,960	34,323	254,371	91,919	476,573	283,350	759,924
Total Amended Budget	95,960	34,323	254,371	112,869	497,524	261,150	758,674
Total Amended Budget Increase/Decrease	0	0	0	20,950	20,950	-22,200	-1,250
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Levy (CL)	0	0	0	120	120	720	840
Debenture (D)	0	0	0	-21,000	-21,000	21,000	0
Reserve Fund (RF)	0	0	0	-150	-150	0	-150
Other (O)	0	0	0	0	0	0	0
Non-tax Supported (NTS)	0	0	0	80	80	480	560
Total Source of Financing Increase/Decrease	0	0	0	-20,950	-20,950	22,200	1,250
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Capital Plan

Addressing Inflation and Supply Chain Concerns

In 2021 and into 2022, as a result of the global pandemic, subsequent supply chain disruptions and increased demand for certain raw materials, many capital projects in the City's approved capital plan are experiencing inflationary pressures. The cost of labour and materials have increased significantly.

Due to the strong financial position of the City and prudent financial principles that guide decision making, Civic Administration has been able to identify solutions to fill many of the known financing gaps. This, however, should be viewed with an abundance of caution. To accommodate additional cost pressures, some projects have had to be deferred, which results in service level impacts. To date, these impacts have been relatively minor, but this is an approach that is not sustainable in the long-term. Going forward, significant pressures will result in challenging choices and trade-offs for the next multi-year budget to adjust the City's base capital budgets. This will be best completed during the multi-year budget development period where these pressures can be evaluated in context and prioritized amongst all budget requests made during this time.

In the meantime, the impacts of inflation have been partially offset by an influx of funding from other levels of government and Civic Administration continues to make use of several tools at its disposal to help combat the price increases that are being experienced:

1. **Life-to-Date Capital Budgets and Re-prioritizing Capital Work** – Civic Administration will continue to review its existing capital plans and re-prioritize capital work, as necessary. This ensures that the most necessary projects are being completed and that existing, previously approved capital funding is used in the most efficient manner.
2. **Manage the Scope of Projects** – Civic Administration will continue to closely monitor the scope of prioritized capital works being tendered to ensure expenditures are only of the most necessary nature.
3. **Reserves and Reserve Funds** – The City of London maintains over eighty reserves and reserve funds with dedicated uses, many of which provide for the construction and maintenance of capital works. Where applicable these funds can be used to address needs in the build up to the 2024 to 2027 Multi-Year Budget. These funds include \$7 million that Council directed to the Operating Budget Contingency Reserve from the 2021 year-end surplus to help address inflationary impacts on the City's budgets.
4. **Available Debt Financing** – The City of London adheres to a strict internal debt cap with respect to its capital program financing. This cap is currently set at an average of \$36 million per year, calculated on the 10-year rolling capital plan. Debt financing remains an option when used appropriately in accordance with the City's financial policies and principles.

Civic Administration will continue actively collaborating to assess the magnitude of potential funding shortages associated with inflationary and supply chain pressures for projects contained in the capital forecast. Although the 10-year capital plan is not being comprehensively adjusted during the 2023 Annual Update, work is being undertaken to prepare the 2023 Asset Management Plan, the 2023 Growth Management Implementation Strategy, the 2024-2027 Multi-Year Budget, and the 2025 Development Charges Background Study that will all help quantify and address these pressures.

Infrastructure Funding Updates

Investing in Canada Infrastructure Program (ICIP) – Public Transit Stream (PTS)

The City of London was approved for ten transit related projects under this program for a total project cost of \$375.2 million, with \$103.1 million from the Government of Ontario, \$123.8 million from the Government of Canada and the balance of funding, approximately \$148.2 million, coming from municipal and other sources. Construction on most ICIP-PTS funded projects started in 2020 and 2021, with construction continuing in 2022 and beyond. The program deadline for construction is 2033. This funding program allowed the three Rapid Transit projects to proceed and enabled other capital projects in the capital plan to advance with a greater scope and impact.

Note that tender awards for the three rapid transit projects approved under ICIP-PTS are scheduled to be presented to Council in January and February 2023, during budget deliberations, and may require additional funding beyond the approved budget pending the tender results.

ICIP-PTS – Intake 3

This new intake was announced in June 2021 and will stay open until March 2024. In January 2022, Municipal Council approved seven active transportation projects to be submitted for funding including on-road cycling facilities, pedestrian crossings, boulevard bike lanes, intersection accessibility, bike parking and an extension to the south branch of the Thames Valley Parkway. The total value of the submitted projects was \$40 million. This represented the remaining unallocated amount of London's provision of ICIP-PTS funding from the Federal and Provincial governments, including the municipal contribution. At the time of writing, the City was still waiting for approval.

ICIP-PTS – London Transit Commission Highbury Avenue Facility

After submission of the initial ten transit related projects in 2019 and the active transportation projects in January 2022, as described above, London had \$119.3 million remaining in allocated Federal and Provincial funding available. Including the municipal contribution, this allows for at least \$163.4 million in capital works. This allocation was associated with the North and West corridors of rapid transit plan, both included in the City's ten-year capital plan but not submitted to ICIP-PTS for approval.

In April 2022, Federal Budget 2022 extended the ICIP-PTS project completion date to October 2033 but accelerated the application deadline to March 2023. Civic Administration and LTC staff immediately began working on alternative projects to take advantage of London's remaining allocation prior to the new deadline. The extended ICIP-PTS construction deadline and LTC's new plan to convert its fleet to zero-emission vehicles allowed for consideration of the replacement of LTC's current Highbury Avenue facility. The facility is at the end of its useful life and replacement would support service growth and the successful conversion of the LTC fleet from diesel. In August 2022, Municipal Council approved development of a joint application for a new LTC facility on Highbury Avenue. An application for a \$199.5 million project was submitted to the Province in December 2022 and as of early March 2023, the application was still under review for recommendation to the Federal government.

Investing in Canada Infrastructure Program (ICIP) - Community, Culture and Recreation Infrastructure Stream

This stream supports community infrastructure priorities. The City of London was approved for two projects under this stream. Labatt Park received \$2.0 million for the installation of accessible washrooms, repair and replacement of bleachers, and replacement of sport lighting, with project completion scheduled for April 2023. Carling Heights Optimist Community Centre (CHOCC) received \$1.9 million for a teaching kitchen space, installation of an elevator, and other building renewal components, with project completion scheduled for March 2024. These projects likely would not have proceeded in the near future without this funding.

Investing in Canada Infrastructure Program (ICIP) - COVID-19 Community Resilience Stream

In August 2020, the Federal Government announced this program to help with social and economic recovery from the health and economic crisis brought on by COVID-19. London was approved for two categories of projects. Active Transportation, including new cycling facilities, boulevard bicycle path improvements and downtown sidewalk improvements, received \$3.75 million, and Recreation Facilities, including HVAC rehabilitation at the Carling and Stronach arenas and the Boyle Community Centre, received \$1.75 million. Projects are scheduled to be mostly complete by Fall 2022 with some work continuing through 2023. This funding allowed projects that were in the capital plan to be completed much sooner than planned and with a broader scope.

Green and Inclusive Community Buildings Program (GICB)

In December 2020, the federal government recognized that municipal and community buildings play a role in Canada's climate response and allocated \$1.5 billion for retrofits, repairs or upgrades of existing buildings and the construction of new public buildings. In May 2022, London was approved for a \$2.2 million project for the Kinsmen Arena Deep Energy Retrofit under the GICB stream. Another application for a similar project at Nichols Arena for \$2.9 million is pending approval. These two retrofit projects would expedite significant energy saving initiatives that were previously scheduled over a longer period of time due to funding constraints.

Canada Community Revitalization Fund (CCRF)

In June 2021, the Federal Government announced the Canada Community Revitalization Fund (CCRF), a \$500 million program to build and improve community infrastructure projects to help communities rebound from the effects of the COVID-19 pandemic. In early 2022, London was approved for two projects: 1) Hyde Park Village Green (\$750,000) – a project to reinvent the empty lot at 1695 Hyde Park Road, transforming it into a green space with accessible walkways, providing a direct route for pedestrians and cyclists between residences and the neighbourhood's retail and business main street; and, 2) RBC Place – King Street Parkette Revitalization (\$713,150) - a project to revitalize the King Street Parkette adjacent to RBC Place creating a vibrant, accessible outdoor space able to accommodate up to 500 guests for organized events, providing an attractive, accessible, and safe space for social gathering by residents and visitors.

Tourism Relief Fund (TRF)

In June 2021, the Federal Government announced the Tourism Relief Fund (TRF), a national investment of \$500 million over two years to support tourism businesses and organizations to adapt their operations to meet public health requirements while investing in

products and services to facilitate their future growth. In April 2022, London was approved for a \$420,000 project “Welcome to the Heart of London”, to establish a more welcoming and visually attractive environment using consistent design elements to guide visitors through tourism facilities and events.



Water Budget

2023 Annual Budget Update

On November 26, 2019 Council approved a 2.5% increase in the rates and charges related to the provision of Water Services effective January 1, 2020. Further, on October 27, 2020, Council approved additional increases of 2.5% effective on January 1, each year for 2021, 2022, and 2023.

For 2023, there are two capital budget amendments for Water Services. Both budget amendments are related to schedule changes with no net increase to the overall capital plan. One is related to growth projects and the other is related to the deferral of Springbank #2 Water Reservoir Replacement and Expansion. These amendments are detailed in the Budget Amendments section of this document (2023 Annual Budget Update Amendment Cases). There are also various pressures on the capital plan that Civic Administration is monitoring, which include the following:

- Cost pressures associated with COVID-19, industry supply chain and labour disruptions, as well as inflation.
- New framework under the Ministry of Environment, Conservation and Parks (MECP) for the excavation, removal and transport of “excess soils” between two or more sites.
- A major reservoir replacement, and the addition of growth-related infrastructure to provide adequate servicing and ensuring the supply of water into the City is protected.

The following paragraphs discuss these pressures in more detail:

The City has been facing cost pressures associated with COVID-19, industry supply chain and labour disruptions, as well as inflation. As a result, the cost of construction has gone up significantly due to raw material price increases and project delays which have had an impact on the 2022 capital budget, and this trend may continue into 2023. As such, Civic Administration will continue to monitor these issues by regularly reviewing approved budgets relative to project cost estimates through various phases of projects. Additionally, risk-based cost estimating, and third-party estimate reviews will be considered for large, complex projects with unique elements for which cost estimating databases are limited and volatility is higher.

The new framework under MECP Regulation (406/19) will apply to most construction projects that generate "excess soil." There is some uncertainty to what extent the costs of Water capital projects will be impacted. As a result, the City should anticipate potential pressures on the Water capital plan. City staff are working with the heavy construction industry to understand the potential impact of these changes on costs moving forward. Adjustments to the capital plan may be required in the 2024 to 2027 Multi-Year Budget. In addition, City staff are working with the engineering consulting community to promote the reuse of soils during capital projects.

Another major upcoming project is the need to replace one of London's major reservoirs. The Springbank Reservoir No. 2 is nearing the end of its useful life and the detailed design for a future replacement and expansion of the reservoir is currently underway and the budget for the reconstruction of this reservoir was included in the Multi-Year Budget in 2023. As part of the 2023 Annual Budget Update, a budget amendment was approved to defer this project to 2024 due to current construction work at neighbouring reservoirs – Springbank Reservoirs #1 and #3. This work is expected to continue into 2023, which will create a significant construction conflict with Springbank #2. Delaying construction of this project for one year will eliminate the conflict and is not expected to have an operational impact on the drinking water system. The new reservoir will ensure that if the City loses one of its water supplies (Lake Huron or Lake Erie), that water would be available in storage that would meet at least 48 hours of the City's needs. This additional storage will satisfy the City's drinking water storage needs through 2044. Due to the project timing and the timing of the 2020 to 2023 Multi-Year Budget, the budget was established on the basis of the Environmental Assessment estimates before any design had begun. Estimates at this early stage are considered conceptual and are accurate to approximately above or below 25%. Risks to the accuracy include the inherent margin of error in conceptual estimates, design or construction constraints not yet known at that early stage, and any difference between actual and estimated inflation for the specific materials and labour used.

The Arva-Huron Pipeline is the most critical supply of water into the City of London, supplying approximately 85% of water used by all customers. The alignment of this pipeline, which was mostly built in the 1960s, has portions on private property in residential backyards as well as sensitive natural features. Due to the sensitivity and scale of this pipeline, an environmental assessment was completed to identify short-term and long-term action items to manage this pipeline. The short-term recommendation includes an asset management strategy consisting of maintenance, monitoring, and upgrading tasks. There is sufficient funding within the current Multi-Year Budget to complete this work over the budget period. Ongoing funding for monitoring and maintenance will be included in future multi-year budget submissions. The long-term recommendation, which addresses the eventual replacement of this infrastructure, includes the installation of a new single or twinned water transmission main(s) in a different alignment. This work will be incorporated in the 20-year capital plan and included in future multi-year budget submissions.

Lastly, Ontario Regulation 453/07 under the Safe Drinking Water Act, 2002 mandates the preparation of a Financial Plan as part of the Municipal Drinking Water License program. This regulation was designed by the Ministry of the Environment in response to Justice Dennis O'Connor's Walkerton Inquiry recommendations. The intent is to ensure that municipalities plan for long-term financial stability of their drinking water systems. The Financial Plan must be updated prior to the renewal of a municipal drinking water license every 5 years. London's Water Financial Plan was updated most recently in May 2020 and can be found on the City's website by visiting: [The City of London's Water Financial Plan](#) or <https://london.ca/living-london/water-environment/water-system> under Annual and Summary Reports.

COVID-19 Pandemic Impacts

There remains considerable uncertainty with respect to future financial and operational consequences of COVID-19, particularly in the event of the emergence and degree of a future wave(s). Civic Administration will continue to actively assess these impacts and their corresponding financial implications after budget approval and will continue to report to Council with any further adjustments as needed.

Budget Amendment Overview

Budget Amendments

There are two budget amendments related to the Water capital budget with no impact on Water rates.

A summary of submitted budget amendments are listed below. For further details, please refer to the 2023 Annual Budget Update Amendment Cases.

Budget Amendment Case #W-1: Cost Driver

Schedule Change for Springbank #2 Water Reservoir Replacement and Expansion

Schedule Change for Springbank #2 Water Reservoir Replacement and Expansion (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	-37,581	-37,581	37,581	0
Source of Financing: Water Works Renewal Reserve Fund	0	0	0	37,581	37,581	-37,581	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

A schedule change to defer the Springbank #2 Water Reservoir Replacement and Expansion (Springbank #2) project due to current construction work at neighbouring reservoirs - Springbank Reservoirs #1 and #3; this work is expected to continue into 2023, which will create a construction conflict with Springbank #2. Delaying construction of this project for one year will eliminate the conflict and is not expected to have an operational impact on the drinking water system.

Budget Amendment Case #W-2: Cost Driver Schedule Changes for Water Growth Projects

Schedule Changes for Water Growth Projects (\$Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	-8,075	-8,075	8,075	0
Source of Financing: Water Works Renewal Reserve Fund and City Services Water Reserve Fund	0	0	0	8,075	8,075	-8,075	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding

Description:

The need, scope, and timing of the projects in this budget amendment are under review as part of a servicing study that is expected to be completed by end of 2022 and incorporated in the next Development Charges Background Study. This amendment will allow the study to confirm if these growth projects and their current scopes are appropriate, in the City's best interests, and that the timing aligns with the projected needs for future residential, institutional, commercial, and industrial growth. Constructing these works without the information from the study would risk limited funds being spent on projects that may not be required. It should be noted that while these are growth projects, they are intended to address impacts of growth to the wider water network, and as such, no developments will be delayed by deferring these projects.

Operating Summary

2020 to 2023 Multi-Year Operating Budget (\$ Thousands)

Water	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	2020 to 2023 Average Annual % Increase/Decrease
Water Rate Increase	2.5%	2.5%	2.5%	2.5%	2.5%
Water Budget Revenues	84,739	87,488	90,530	93,695	
Increase over Prior Year Budget	4,843	2,750	3,041	3,166	
Increase over Prior Year Budget (%)	6.1%	3.2%	3.5%	3.5%	4.1%

Subject to rounding.

Operating Expenditure Budget by Service (\$ Thousands)

Water	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	Total 2020 to 2023 Budget
Water Engineering	2,620	2,712	2,830	2,844	11,006
Water Operations	14,203	14,473	14,631	14,766	58,073
Purchase of Water	27,188	28,257	29,363	30,504	115,312
Water General Administration	40,728	42,046	43,706	45,582	172,062
Total Water	84,739	87,488	90,530	93,695	356,452

Subject to rounding.

Water Capital Summary and Ten-Year Capital Plan

2020 to 2029 Capital Budget Overview by Classification (\$ Thousands)

Classification	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	2020 to 2023 Amended Budget	2023 Amended Budget Increase/Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/Decrease	2020 to 2029 Amended Ten Year Plan
Lifecycle Renewal	36,952	32,662	37,854	31,116	138,585	-37,581	252,573	37,581	391,158
Growth	7,983	6,808	4,782	7,306	26,879	-8,075	69,053	8,075	95,931
Service Improvement	770	256	1,898	429	3,354	0	2,537	0	5,891
Total Expenditures	45,705	39,727	44,534	38,852	168,818	-45,656	324,163	45,656	492,980

Subject to rounding.

Capital Budget Summary (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	45,705	39,727	44,534	84,507	214,473	278,507	492,980
Total Amended Budget	45,705	39,727	44,534	38,852	168,818	324,163	492,980
Total Amended Budget Increase/Decrease	0	0	0	-45,656	-45,656	45,656	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	39,148	39,148	-39,148	0
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	6,508	6,508	-6,508	0
Total Source of Financing Increase/Decrease	0	0	0	45,656	45,656	-45,656	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Note: Approved figures include housekeeping adjustments and changes made by the 2021 Development Charges Update.

Capital Budget by Classification (\$ Thousands)

Budget Classification	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Lifecycle Renewal Total Approved Budget	36,952	32,662	37,854	68,697	176,165	214,992	391,158
Lifecycle Renewal Total Amended Budget	36,952	32,662	37,854	31,116	138,585	252,573	391,158
Lifecycle Renewal Increase/Decrease	0	0	0	-37,581	-37,581	37,581	0
Growth Total Approved Budget	7,983	6,808	4,782	15,381	34,954	60,977	95,931
Growth Total Amended Budget	7,983	6,808	4,782	7,306	26,879	69,053	95,931
Growth Increase/Decrease	0	0	0	-8,075	-8,075	8,075	0
Service Improvement Total Approved Budget	770	256	1,898	429	3,354	2,537	5,891
Service Improvement Total Amended Budget	770	256	1,898	429	3,354	2,537	5,891
Service Improvement Increase/Decrease	0	0	0	0	0	0	0
Total Amended Budget Increase/Decrease	0	0	0	-45,656	-45,656	45,656	0

Subject to rounding.

Lifecycle Renewal Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	36,952	32,662	37,854	68,697	176,165	214,992	391,158
Total Amended Budget	36,952	32,662	37,854	31,116	138,585	252,573	391,158
Total Amended Budget Increase/Decrease	0	0	0	-37,581	-37,581	37,581	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	37,581	37,581	-37,581	0
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	0	37,581	37,581	-37,581	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Growth Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	7,983	6,808	4,782	15,381	34,954	60,977	95,931
Total Amended Budget ¹	7,983	6,808	4,782	7,306	26,879	69,053	95,931
Total Amended Budget Increase/Decrease	0	0	0	-8,075	-8,075	8,075	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	1,567	1,567	-1,567	0
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	6,508	6,508	-6,508	0
Total Source of Financing Increase/Decrease	0	0	0	8,075	8,075	-8,075	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Service Improvement Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	770	256	1,898	429	3,354	2,537	5,891
Total Amended Budget	770	256	1,898	429	3,354	2,537	5,891
Total Amended Budget Increase/Decrease	0	0	0	0	0	0	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	0	0	0	0
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	0	0	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

2020 to 2029 Source of Financing Overview (\$ Thousands)

Source of Financing	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Amended Budget Total	2023 Amended Budget Increase/ Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/ Decrease	2020 to 2029 Amended Ten Year Plan
Capital Rate	23,631	22,201	23,085	22,623	91,540	0	148,123	0	239,662
Debt	0	0	0	0	0	0	0	0	0
Reserve Fund	13,552	11,736	16,581	7,450	49,319	-39,147	105,467	39,147	154,786
Other	0	0	0	0	0	0	0	0	0
Sub-Total Rate Supported	37,183	33,937	39,666	30,073	140,859	-39,147	253,590	39,147	394,448
Debt	0	0	0	0	0	0	9,508	0	9,508
Reserve Fund	7,134	4,316	4,125	6,672	22,247	-6,509	52,515	6,509	74,762
Canada Community- Building Fund	1,501	1,425	743	2,107	5,776	0	8,550	0	14,326
Federal Grants	0	0	0	0	0	0	0	0	0
Provincial Grants	0	0	0	0	0	0	0	0	0
Other Government	0	0	0	0	0	0	0	0	0
Other ¹	-113	49	0	0	-64	0	0	0	-64
Sub-Total Non-Rate Supported	8,523	5,790	4,869	8,778	27,959	-6,509	70,573	6,509	98,532
Total Source of Financing	45,705	39,727	44,534	38,852	168,818	-45,656	324,163	45,656	492,980

Subject to rounding.

Note 1. The 2020 "Other" non-rate supported source of financing budget is negative due to housekeeping budget adjustments to life-to-date capital projects that occurred in 2020 for lower than anticipated insurance proceeds and utility contributions.

2030 to 2032 Capital Budget Overview by Classification (\$ Thousands)

Classification	2030 Forecast	2031 Forecast	2032 Forecast	2023 to 2032 Amended Ten Year Plan
Lifecycle Renewal	32,501	36,442	33,497	386,129
Growth	17,294	2,749	14,820	111,221
Service Improvement	558	325	651	4,500
Total Expenditures	50,353	39,515	48,968	501,850

Subject to rounding.

Source of Financing	2030 Forecast	2031 Forecast	2032 Forecast	2023 to 2032 Amended Ten Year Plan
Capital Rate	26,866	27,403	28,061	253,075
Debt	0	0	0	0
Reserve Fund	5,560	9,327	11,916	139,721
Other	0	0	0	0
Sub-Total Rate Supported	32,425	36,730	39,977	392,796
Debt	11,645	0	0	21,152
Reserve Fund	4,858	1,360	7,566	72,971
Canada Community-Building Fund	1,425	1,425	1,425	14,932
Federal Grants	0	0	0	0
Provincial Grants	0	0	0	0
Other Government	0	0	0	0
Other	0	0	0	0
Sub-Total Non-Rate Supported	17,927	2,785	8,991	109,054
Total Source of Financing	50,353	39,515	48,968	501,850

Subject to rounding.

2030 to 2032 Major Capital Projects by Classification (\$ Thousands)

Classification	Project	2030 Forecast	2031 Forecast	2032 Forecast
Lifecycle Renewal	Infrastructure Renewal Program - Watermains	22,184	22,869	23,261
Lifecycle Renewal	Residential Meter Replacement	2,789	2,856	2,924
Lifecycle Renewal	Lead and Copper Water Services Replacement	1,901	1,947	1,994
Lifecycle Renewal	Watermain Rehabilitation and Relining	1,268	1,298	1,329
Lifecycle Renewal	Watermain Replacement - Commissioners Road	328	3,344	0
Growth	Watermain Industrial Servicing	15,645	0	0
Growth	Wonderland Watermain (A8)	0	556	5,124
Growth	Wonderland Road (Gainsborough to Lawson)	0	465	4,282
Growth	Wonderland Road (Lawson to Sarnia)	0	375	3,458
Service Improvement	Extension of Water Servicing	254	260	266

Subject to rounding.

Water Reserve and Reserve Fund Overview

Reserve and Reserve Fund Classification Descriptions

Classification	Type	Description
Obligatory	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.
Obligatory	Canada Community-Building Fund	Canada Community-Build Fund Reserve Fund is maintained under the Agreement for Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities between Canada-Ontario-AMO-City of Toronto made as of June 17, 2005.
Discretionary	Capital Asset Renewal and Replacement	Established to provide funding for the repair and maintenance of existing City assets to ensure City-owned assets do not deteriorate over time.
Discretionary	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.
Discretionary	Special Projects and 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.
Discretionary	Contingencies/Stabilization and Risk Management	Designed to fund future obligations which are based on calculated estimates and to mitigate unforeseen events or one-time unanticipated revenue losses and expenses.

Reserve and Reserve Fund Details (\$ Thousands)

Type	Reserve or Reserve Fund	2020 Uncommitted	2021 Uncommitted	2022 Projected	2023 Projected	2024 to 2029 Forecast
Capital Asset Renewal and Replacement	Water Works Renewal	43,219	50,342	54,220	63,909	62,983
City Services	City Services - Water Distribution ¹	16,390	18,005	20,530	19,841	2,008
Capital Asset Growth	Industrial DC Incentive Program Water	5,679	5,414	5,669	5,459	4,110
Special Projects and New Initiatives	Lead Service Replacement Program ²	113	118	118	119	124
Special Projects and New Initiatives	Water Customer Assistance ²	446	451	599	611	688
Special Projects and New Initiatives	Water Efficiency, Effectiveness and Economy Reserve ²	1,942	2,214	2,771	2,890	3,607
Contingencies / Stabilization and Risk Management	Water Budget Contingency Reserve ²	9,695	9,695	8,469	8,469	8,469
Total	Water Reserves and Reserve Funds	77,484	86,240	92,376	101,298	81,989

Subject to rounding.

Notes

1. Obligatory reserve funds were established to comply with legislation. Contributions and drawdowns are dictated by legislation.
2. Reserve / reserve fund does not factor in draws until approved by Municipal Council, or authorized designate.

Wastewater and Treatment Budget

2023 Annual Budget Update

On November 26, 2019 Council approved a 2.5% increase in the rates and charges related to the provision of Wastewater and Treatment Services effective January 1, 2020. Further, on October 27, 2020, Council approved additional increases of 2.5% effective on January 1, 2021, 2.7% effective July 1, 2021, 2.5% effective January 1, 2022, and 2.5% effective January 1, 2023.

For 2023, there is one budget amendment for Wastewater and Treatment Services, impacting the capital plan. This budget amendment is related to the Mud Creek East Branch Phase 2 project and will increase the capital budget, with no impact to Wastewater and Treatment rates; it is detailed in the Budget Amendments section of this document (2023 Annual Budget Update Amendment Cases). There are also various pressures that Civic Administration is monitoring, which include the following:

- Cost pressures associated with COVID-19, industry supply chain and labour disruptions, as well as inflation.
- New framework under the Ministry of Environment, Conservation and Parks (MECP) for the excavation, removal and transport of “excess soils” between two or more sites.
- Funding needs to address the infrastructure gap.
- Work required as part of the Canada-Ontario Lake Erie Action Plan.
- Reducing sewer system overflows, eliminating combined sewers, and providing service for growth either in new areas or intensification of existing neighbourhoods.

The following paragraphs discuss these pressures in more detail:

The City has been facing cost pressures associated with COVID-19, industry supply chain and labour disruptions, as well as inflation. As a result, the cost of construction has gone up significantly due to raw material price increases and project delays which have had an impact on the 2022 capital budget, and this trend may continue into 2023. As such, Civic Administration will continue to monitor these issues by regularly reviewing approved budgets relative to project cost estimates. Additionally, risk-based cost estimating and third-party estimate reviews will be considered for large, complex projects with unique elements for which cost estimating databases are limited and volatility is higher.

The new framework under MECP Regulation (406/19) will apply to most construction projects that generate “excess soil.” There is some uncertainty to what extent the costs of Wastewater and Treatment capital projects will be impacted. As a result, the City should anticipate potential pressures on the Wastewater capital plan. Adjustments to the capital plan may be required in the 2024 to 2027 Multi-Year Budget. City staff are working with the heavy construction industry to understand the potential impact of these changes on costs moving forward. In addition, City staff are working with the engineering consulting community to promote the reuse of soils during capital projects.

The 2021 Corporate Asset Management Plan Update was the culmination of efforts from staff across the City who are involved with managing municipal infrastructure assets, including finance and technical service areas and operations staff. The 2021 plan update projected a 10-year infrastructure gap for the sanitary system of \$11.9 million (net of forecasted reserve fund drawdown availability over the next decade). Staff will continue to monitor the Wastewater and Treatment infrastructure gap including undertaking study work to provide higher quality information to better quantify the Wastewater and Treatment infrastructure gap moving forward. The Corporate Asset Management Plan recommended relying on the existing 20-year capital plans and their updates as a means to manage the infrastructure gap in Wastewater and Treatment services.

The Great Lakes Water Quality Agreement requires the United States and Canada to reduce phosphorus levels that contribute to algae blooms in Lake Erie by 40% based on levels measured in 2008, with the Thames River Watershed identified as a priority. The final Canada-Ontario Lake Erie Action Plan was issued by the Federal government in February 2018. The plan includes a series of specific actions to be undertaken by the City of London that were endorsed by Council in late 2017. The City's ability to support these actions has been tied to receiving partial federal and provincial funding. To date, there has been no new funding provided to support the City of London actions. If and when additional funding becomes available, City staff will actively pursue this funding.

Lastly, the MECP has introduced design standards as part of the Consolidated Linear Infrastructure Environmental Compliance Approval (CLI ECA) process. The City's linear sanitary and stormwater collection systems will each be subject to one umbrella approval, and additions to the system will not require separate approvals provided they meet the Ministry's design standards. However, there is strong potential that increased monitoring and reporting will be required, which may increase operational costs in 2023 and have an impact on capital program costs in 2024 and beyond. There is also potential that the design standards and CLI ECA will require a new higher standard of quality control in stormwater infrastructure. Staff are currently working with the MECP to reach a mutually agreeable level of service, but there is potential that this will have to be addressed in the next Multi-Year Budget process.

Infrastructure Funding Update

Disaster Mitigation and Adaptation Fund (DMAF)

In 2018, the Government of Canada launched the Disaster Mitigation and Adaptation Fund (DMAF), committing \$2 billion over 10 years to invest in structural and natural infrastructure projects to increase the resilience of communities that are impacted by natural disasters triggered by climate change. In the Federal Budget 2021, an additional \$1.375 billion in federal funding over 12 years was announced to renew the DMAF.

In October 2020, the City of London was approved for DMAF funding to support the construction of flood protection measures at the Greenway and Adelaide Wastewater Treatment Plants. Flood protection systems at these plants are priority projects because of their location within the Thames River floodplain and will improve the resilience of these facilities, enhance staff safety during extreme wet weather events, and reduce the likelihood of overflows and bypasses. The overall project cost is estimated at \$49.5 million, with the maximum federal share of all project related expenses totalling \$19.8 million (40%).

In November 2021, during another intake opportunity, the City made another application to the DMAF program for a project on the Broughdale Dyke. This dyke protects 191 properties within the floodplain including residential, institutional and recreational areas. An environmental assessment in 2016 recommended extending and raising the dyke from a 100-year flood elevation to a 250-year flood level elevation. Approval of this project would allow the City to move forward with the reconstruction of the dyke and provide a higher level of protection for the citizens in this area. The project is estimated to be \$9 million with a federal contribution of \$3.6 million. At the time of writing, a decision on this application was still outstanding but anticipated soon.

COVID-19 Pandemic Impacts

During the approval of the 2020 to 2023 Wastewater and Treatment budget, Council approved Business Case #34 titled, “Transfer portion of Conservation Authority costs to Wastewater and Treatment Budget”. An analysis of each of the Conservation Authorities’ budgets was undertaken to determine the portion of the budget that related to stormwater-related activities. Based on this analysis it was estimated that approximately 60% (or a 2020 to 2023 average of \$2.89 million) of the Conservation Authorities’ levies would be better aligned with the users subject to Wastewater and Treatment rates. The intention was to implement this shift through a further 3.5% increase in Wastewater and Treatment rates as of April 1, 2020. However, due to the onset of the COVID-19 pandemic and associated financial challenges experienced by many households and businesses, this additional rate increase was deferred. The 2021 Wastewater and Treatment rates included a phase-in approach, with the rate increase associated with the transfer of the Conservation Authorities’ costs implemented through an additional 2.7% rate increase which took effect July 1, 2021. Accordingly, Civic Administration utilized a portion of the Safe Restart Agreement funding provided by the Federal and Provincial governments to offset the lost revenue for January to June 2021 associated with the delay in implementing this rate increase.

There remains considerable uncertainty with respect to future financial and operational consequences of COVID-19, particularly in the event of the emergence and degree of a future wave(s). Civic Administration will continue to actively assess these impacts and their corresponding financial implications after budget approval and will continue to report to Council with any further adjustments, as needed.

Budget Amendment Overview

Budget Amendments

There is one budget amendment related to Wastewater and Treatment, which impacts the capital budget. There will be no impact on Wastewater and Treatment rates.

A summary of the budget amendment is detailed below. For further details, please refer to the 2023 Annual Budget Update Amendment Cases.

Budget Amendment Case #WWT-1: Cost Driver

Part A: Mud Creek East Branch Phase 2 Budget Increase

Mud Creek East Branch Phase 2 Budget Increase (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	11,500	11,500	0	11,500
Source of Financing: Sewage Works Renewal Reserve Fund and City Services Stormwater Reserve Fund	0	0	0	-11,500	-11,500	0	-11,500
Rate Impact	0	0	0	0	0	0	0

Description:

This budget amendment increases the 2023 capital budget for Mud Creek Branch Phase 2 project due to the results of a detailed design conducted in fall 2021. The detailed design estimate for constructing this project is \$11.5 million, as such, an associated budget increase for this amount is required in 2023. This increase can be attributed to various factors, some of which include an Environmental Assessment (EA) completed in 2017 which estimated the total cost of Phases 1 and 2 of this project to be approximately \$10 million. However, Phase 1 of this project resulted in total construction costs of \$10 million when completed in 2021, therefore, creating the need for this amendment.

Phase 2 of this project will allow over 50 hectares of prime infill and intensification lands to develop and reduce existing flooding within the Oxford Street and Proudfoot Lane areas. It is imperative to note that this critical project should move forward in 2023 and should not be delayed based on commitments made to developers in this area.

Part B: Schedule Change - Stormwater Management Contingency Facility

Schedule Change - Stormwater Management Contingency Facility (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	-5,020	-5,020	5,020	0
Source of Financing: City Services Stormwater Reserve Fund and Debenture	0	0	0	5,020	5,020	-5,020	0
Rate Impact	0	0	0	0	0	0	0

Description:

To accommodate the Mud Creek Phase 2 budget increase in 2023, this budget amendment defers \$5 million for project Stormwater Management Contingency Facility from 2023 to 2024 to partially offset the budget increase. The Stormwater Management Contingency Facility project was scheduled for 2023 in the 2021 Development Charges Background Study Update, however, there is currently no development linked to this funding. This budget amendment defers this project until it is assigned to a development area.

Part C: Schedule Change – Dingman #2 Remediation Stormwater Management Flood Control Facility

Schedule Change – Dingman #2 Remediation Stormwater Management Flood Control Facility (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	0	-4,823	-4,823	4,823	0
Source of Financing: Sewage Works Renewal Reserve Fund and Debenture	0	0	0	4,823	4,823	-4,823	0
Rate Impact	0	0	0	0	0	0	0

Description:

This budget amendment defers the \$4.8 million budgeted for project Dingman #2 Remediation Stormwater Management Flood Control Facility from 2023 to 2025, as work related to this project is not yet ready to be constructed. Deferring this work will partially offset the budget increase for Mud Creek Phase 2.

Operating Summary

2020 to 2023 Multi-Year Operating Budget (\$ Thousands)

Wastewater and Treatment	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	2020 to 2023 Average Annual % Increase/ Decrease
Wastewater and Treatment Rate Increase (Previously Approved ¹)	2.5%	5.2%	2.5%	2.5%	3.2%
Wastewater and Treatment Revenue Budget	106,500	109,937	113,668	117,544	
Increase over Prior Year Budget	8,318	3,437	3,731	3,876	
Increase over Prior Year Budget (%)	8.5%	3.2%	3.4%	3.4%	4.6%

Subject to rounding.

Note 1: Timing of rate implementation was deferred from 2020 to 2021 as a result of the COVID-19 pandemic.

Operating Expenditure Budget by Service (\$ Thousands)

Wastewater and Treatment	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	Total 2020 to 2023 Budget
Sewer Engineering	2,314	2,388	2,526	2,531	9,759
Stormwater Management	1,514	1,566	1,723	1,724	6,527
Sewer Operations	9,728	9,900	10,069	10,216	39,914
Wastewater and Treatment Operations	21,383	21,520	21,103	21,237	85,242
Wastewater and Treatment General Administration	68,773	71,710	75,325	78,845	294,653
Wastewater Share of Conservation Authority Costs	2,788	2,854	2,921	2,991	11,554
Total Wastewater and Treatment	106,500	109,937	113,668	117,544	447,650

Subject to rounding.

Wastewater and Treatment Capital Summary and Ten-Year Capital Plan

2020 to 2029 Capital Budget Overview by Classification (\$ Thousands)

Classification	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	2020 to 2023 Amended Budget	2023 Amended Budget Increase/Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/Decrease	2020 to 2029 Amended Ten Year Plan
Lifecycle Renewal	40,983	39,429	40,714	42,620	163,746	0	333,010	0	496,757
Growth	28,429	31,954	28,410	31,298	120,091	1,657	206,672	9,843	326,764
Service Improvement	16,375	20,538	15,723	18,722	71,357	0	81,896	0	153,253
Total Expenditures	85,787	91,921	84,847	92,640	355,195	1,657	621,579	9,843	976,774

Subject to rounding.

Capital Budget Summary (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	85,787	91,921	84,847	90,983	353,537	611,736	965,273
Total Amended Budget	85,787	91,921	84,847	92,640	355,195	621,579	976,774
Total Amended Budget Increase/Decrease	0	0	0	1,657	1,657	9,843	11,500
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	-3,157	-3,157	-4,100	-7,257
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	1,500	1,500	-5,743	-4,243
Total Source of Financing Increase/Decrease	0	0	0	-1,657	-1,657	-9,843	-11,500
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Note: Approved figures include housekeeping adjustments and changes made by the 2021 Development Charges Update.

Capital Budget by Classification (\$ Thousands)

Budget Classification	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Lifecycle Renewal Total Approved Budget	40,983	39,429	40,714	42,620	163,746	333,010	496,757
Lifecycle Renewal Total Amended Budget	40,983	39,429	40,714	42,620	163,746	333,010	496,757
Lifecycle Renewal Increase/Decrease	0	0	0	0	0	0	0
Growth Total Approved Budget	28,429	31,954	28,410	29,641	118,434	196,829	315,264
Growth Total Amended Budget	28,429	31,954	28,410	31,298	120,091	206,672	326,764
Growth Increase/Decrease	0	0	0	1,657	1,657	9,843	11,500
Service Improvement Total Approved Budget	16,375	20,538	15,723	18,722	71,357	81,896	153,253
Service Improvement Total Amended Budget	16,375	20,538	15,723	18,722	71,357	81,896	153,253
Service Improvement Increase/Decrease	0	0	0	0	0	0	0
Total Amended Budget Increase/Decrease	0	0	0	1,657	1,657	9,843	11,500

Subject to rounding.

Lifecycle Renewal Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	40,983	39,429	40,714	42,620	163,746	333,010	496,757
Total Amended Budget	40,983	39,429	40,714	42,620	163,746	333,010	496,757
Total Amended Budget Increase/Decrease	0	0	0	0	0	0	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	0	0	0	0
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	0	0	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Growth Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	28,429	31,954	28,410	29,641	118,434	196,829	315,264
Total Amended Budget	28,429	31,954	28,410	31,298	120,091	206,672	326,764
Total Amended Budget Increase/Decrease	0	0	0	1,657	1,657	9,843	11,500
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	-3,157	-3,157	-4,100	-7,257
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	1,500	1,500	-5,743	-4,243
Total Source of Financing Increase/Decrease	0	0	0	-1,657	-1,657	-9,843	-11,500
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Service Improvement Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	16,375	20,538	15,723	18,722	71,357	81,896	153,253
Total Amended Budget	16,375	20,538	15,723	18,722	71,357	81,896	153,253
Total Amended Budget Increase/Decrease	0	0	0	0	0	0	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	0	0	0	0
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	0	0	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

2020 to 2029 Source of Financing Overview (\$ Thousands)

Source of Financing	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	2020 to 2023 Amended Budget Total	2023 Amended Budget Increase/Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/Decrease	2020 to 2029 Amended Ten Year Plan
Capital Rate	21,613	22,503	22,723	23,017	89,856	0	150,703	0	240,559
Debt	0	0	0	0	0	0	51,281	0	51,281
Reserve Fund	31,936	43,171	32,125	45,255	152,486	3,157	227,933	4,100	380,420
Other	0	0	0	0	0	0	0	0	0
Sub-Total Rate Supported	53,549	65,674	54,847	68,272	242,342	3,157	429,918	4,100	672,260
Debt	7,601	-868	16,967	631	24,330	-1,743	73,456	5,743	97,787
Reserve Fund	19,555	22,024	6,692	19,028	67,298	244	89,944	0	157,242
Canada Community-Building Fund	4,651	4,500	4,500	4,500	18,151	0	27,000	0	45,151
Federal Grants	0	124	1,174	0	1,298	0	0	0	1,298
Provincial Grants	60	60	672	60	852	0	360	0	1,212
Other Government	0	0	0	0	0	0	0	0	0
Other	371	407	-4	150	924	0	900	0	1,824
Sub-Total Non-Rate Supported	32,238	26,247	30,000	24,368	112,853	-1,500	191,661	5,743	304,514
Total Source of Financing	85,787	91,921	84,847	92,640	355,195	1,657	621,579	9,843	976,774

Subject to rounding.

Note: Approved figures include housekeeping adjustments and changes made by the 2021 Development Charges Update.

2030 to 2032 Capital Budget Overview by Classification (\$ Thousands)

Classification	2030 Forecast	2031 Forecast	2032 Forecast	2023 to 2032 Amended Ten Year Plan
Lifecycle Renewal	62,775	48,793	44,896	532,094
Growth	28,828	10,022	20,994	297,814
Service Improvement	12,241	10,327	13,340	136,526
Total Expenditures	103,843	69,142	79,230	966,434

Subject to rounding.

Source of Financing	2030 Forecast	2031 Forecast	2032 Forecast	2023 to 2032 Amended Ten Year Plan
Capital Rate	27,334	27,885	25,628	254,566
Debt	7,606	7,788	7,975	74,651
Reserve Fund	37,156	20,570	21,800	352,713
Other	0	0	0	0
Sub-Total Rate Supported	72,095	56,243	55,403	681,931
Debt	16,843	0	0	83,129
Reserve Fund	10,195	8,189	19,117	154,274
Canada Community-Building Fund	4,500	4,500	4,500	45,000
Federal Grants	0	0	0	0
Provincial Grants	60	60	60	600
Other Government	0	0	0	0
Other	150	150	150	1,500
Sub-Total Non-Rate Supported	31,748	12,899	23,827	284,503
Total Source of Financing	103,843	69,142	79,230	966,434

Subject to rounding.

2030 to 2032 Major Capital Projects by Classification (\$ Thousands)

Classification	Project	2030 Forecast	2031 Forecast	2032 Forecast
Lifecycle Renewal	Infrastructure Renewal Program - Sanitary Sewers	21,925	16,538	13,213
Lifecycle Renewal	Infrastructure Renewal Program - Stormwater Sewers	21,435	13,438	13,213
Lifecycle Renewal	Sewer Relining	6,338	6,490	6,646
Lifecycle Renewal	Stormwater Treatment Remediation	3,549	3,245	1,861
Lifecycle Renewal	Sewer Construction and Repairs	2,789	2,207	2,924
Growth	Oxford WWTP Expansion	0	0	13,292
Growth	Industrial Wastewater Servicing	8,290	0	0
Growth	Storm Sewer Built Area Works	2,130	2,181	2,233
Growth	Industrial Storm Trunk Sewer Servicing	5,400	0	0
Growth	Industrial SWM Ponds	5,252	0	0
Service Improvement	UTRCA - Remediating Flood	5,071	5,192	5,317
Service Improvement	Targeted Road and Sidewalk Icing Reduction	1,901	0	1,994
Service Improvement	Targeted Weeping Tile	1,268	1,298	1,329
Service Improvement	Wetland Restoration and SWM Treatment Enhancement	1,268	1,298	1,329
Service Improvement	Sewage Bypass and Overflow	847	867	888

Subject to rounding.

Wastewater and Treatment Reserve and Reserve Fund Overview

Reserve and Reserve Fund Classification Descriptions

Classification	Type	Description
Obligatory	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.
Obligatory	Canada Community-Building Fund	Canada Community-Building Fund Reserve Fund is maintained under the Agreement for Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities between Canada-Ontario-AMO-City of Toronto made as of June 17, 2005.
Discretionary	Capital Asset Renewal and Replacement	Established to provide funding for the repair and maintenance of existing City assets to ensure City-owned assets do not deteriorate over time.
Discretionary	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.
Discretionary	Special Projects and 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.
Discretionary	Contingencies/Stabilization and Risk Management	Designed to fund future obligations which are based on calculated estimates and to mitigate unforeseen events or one-time unanticipated revenue losses and expenses.

Reserve and Reserve Fund Details (\$ Thousands)

Type	Reserve or Reserve Fund	2020 Uncommitted	2021 Uncommitted	2022 Projected	2023 Projected	2024 to 2029 Forecast
Capital Asset Renewal and Replacement	Sewage Works Renewal	55,105	43,479	52,133	47,563	72,065
Capital Asset Growth	Industrial DC Incentive Wastewater ¹	1,811	1,859	58	88	284
Capital Asset Growth	Industrial Oversizing Sewer	184	1,662	1,731	1,766	1,988
City Services	City Services - Wastewater ²	5,352	3,087	4,378	4,415	3,738
City Services	City Services - Stormwater ²	5,272	3,781	3,316	4,819	5,699
Special Projects and New Initiatives	Wastewater Efficiency, Effectiveness and Economy Reserve ¹	3,708	4,122	4,676	5,090	7,571
Special Projects and New Initiatives	Sump Pump, Sewage Ejector and Storm Private Drain Connection ¹	469	473	488	497	560
Contingencies / Stabilization and Risk Management	Wastewater Budget Contingency Reserve ¹	11,643	11,643	9,839	9,839	9,839
Total	Wastewater and Treatment Reserves and Reserve Funds	83,544	70,106	76,619	74,077	101,744

Subject to rounding.

Notes

1. Reserve / reserve fund does not factor in draws until approved by Municipal Council, or authorized designate.
2. Obligatory reserve funds were established to comply with legislation. Contributions and drawdowns are dictated by legislation.

2023 Draft Annual Budget Update Amendment Cases



2023 Annual Budget Update

Budget Amendment # P-1

Strategic Area of Focus: Leading in Public Service
 Strategy: Conduct targeted service reviews.
 Budget Amendment Type: Cost or Revenue Driver
 Description: Reductions due to zero-based reviews and other budget right-sizing.
 Service(s): Various
 Lead: Anna Lisa Barbon, Deputy City Manager, Finance Supports

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	-\$6,581	-\$6,581
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	-\$6,581	-\$6,581
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	-0.94%	-0.23% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	-\$30.71	-\$7.67 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Reductions Due to Zero-Based Reviews and Other Budget Right-Sizing

What is the reason for the budget amendment?

As outlined in the City of London’s 2019 to 2023 Strategic Plan, the Corporation is committed to “increasing the effectiveness and efficiency of service delivery” and “maintaining London’s finances in a transparent and well-planned manner to balance equity and affordability over the long-term.” Consistent with these objectives, Civic Administration conducts regular reviews of its budgets to ensure resources are aligned with current service level requirements. These reviews are supported through techniques such as zero-based budget reviews and trend analysis, among others. As a result of this work, Civic Administration has identified permanent budget reductions in the amount of \$5.0 million and one-time savings of \$1.6 million that can be implemented without impacting service levels.

Operating Budget Table (\$ Thousands)

Zero-Based Reviews and Other Budget Right-Sizing	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$0	\$0	\$0	\$0	\$0	\$0
Amendment	N/A	N/A	N/A	-\$6,106	-\$6,106	-\$27,127
Amended Net Budget (Tax Levy)	\$0	\$0	\$0	-\$6,106	-\$6,106	-\$27,127

Subject to rounding.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Reductions Due to Zero-Based Reviews and Other Budget Right-Sizing	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Streetlight Maintenance – TS5123	\$2,844	\$2,977	\$2,811	\$2,884	\$11,516	\$19,458
Amendment	N/A	N/A	N/A	-\$250	-\$250	-\$1,500
Amended Budget	\$2,844	\$2,977	\$2,811	\$2,634	\$11,266	\$17,958

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$250	\$250	\$1,500
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported	N/A	N/A	N/A	\$0	\$0	\$0
Amended Budget	\$2,844	\$2,977	\$2,811	\$2,634	\$11,266	\$17,958

Subject to rounding.

Notes:

- 1) The 2030 capital gross expenditure is \$3,325,840.
- 2) The 2031 capital gross expenditure is \$3,418,860.
- 3) The 2032 capital gross expenditure is \$3,500,913.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Reductions Due to Zero-Based Reviews and Other Budget Right-Sizing	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Downtown Street Tree Planting – UF1129	\$225	\$225	\$225	\$225	\$900	\$1,350
Amendment	N/A	N/A	N/A	-\$225	-\$225	-\$1,350
Amended Budget	\$225	\$225	\$225	\$0	\$675	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$225	\$225	\$1,350
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported	N/A	N/A	N/A	\$0	\$0	\$0
Amended Budget	\$225	\$225	\$225	\$0	\$675	\$0

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	The implementation of the Green Bin program has been delayed due to unavailable supply of collection vehicles. The delay means that most of the food waste and other organics continue to be sent to the City’s landfill. This causes methane production at the landfill that is not captured by the landfill gas recovery and flare system. Regarding producer pay recycling, this amendment strictly shifts the cost to producers. However, in the long run, it is expected that this will change producer behaviours and should drive better environmental outcomes with less impact on climate change. The remainder of the items in this amendment are strictly to align budgets with actual spending and do not anticipate contributing to environmental impacts.
Socio-economic Equity	This amendment will reduce the required tax levy, making services more affordable. It is not anticipated that approving this amendment will negatively impact equity-deserving and other vulnerable groups.
Governance	There are no anticipated risks as remaining budgets will be sufficient to accommodate required spending in the relevant areas. The changes resulting from this amendment will be reflected in the corporate budget monitoring process.

Additional Details

As a result of performing zero-based budget reviews and trend analysis across various services, total reductions in the amount of \$6.6 million have been identified for 2023 with on-going savings of \$5 million in 2024 and beyond. Reductions were identified in a variety of areas, including:

- Review of Green Bin implementation timelines due to previously reported delays in operationalizing the program (\$1.5 million in 2023 only);
- Right-sizing of revenues from producer pay recycling responsibility to begin in 2023 (\$1.5 million);
- Right-sizing of investment revenues (\$1.4 million);
- Right-sizing of Taxation office revenues (\$916 thousand);
- Right-sizing of subsidized transit due to lower than anticipated ridership (\$500 thousand);

- Right-sizing of streetlight life cycle renewal program spending (\$250 thousand);
- Elimination of Downtown Street Tree Planting budget, noting that there is little remaining space to plant new downtown street trees and standalone plantings struggle without changes to the streetscape. Budget for replacement of dead or damaged trees remains. Additional new tree introduction will continue through capital projects (\$225 thousand);
- Right-sizing in various administrative accounts (\$205 thousand, \$85 in 2023 only);

As previously noted, these reductions do not impact service levels.

2023 Annual Budget Update

Budget Amendment # P-2

Strategic Area of Focus:	Growing our Economy; Strengthening our Community
Strategy:	Increase Ontario Works client participation within employment activities Improve access to licensed child care and early years opportunities
Budget Amendment Type:	Cost Driver
Description:	Part A: Reduction in Life Stabilization Investment in 2023 due to COVID-19 Impacts Part B: Reduction in Child Care Investment in 2023 due to Transitional Funding Availability Part C: Partial Deferral of Expansion Child Care Investment in 2023 due to COVID-19 Impacts
Service(s):	Ontario Works and Children’s Services
Lead:	Kevin Dickins, Deputy City Manager, Social and Health Development

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	-\$1,030	-\$1,030
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	-\$1,030	-\$1,030
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	-0.15%	-0.04% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	-\$4.81	-\$1.20 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Part A: Reduction in Life Stabilization Investment in 2023 due to COVID-19 Impacts

What is the reason for the budget amendment?

In the 2020 to 2023 Multi-Year Budget, Council approved additional funding for the Ontario Works Program of approximately \$1.81 million to address Ministry of Children, Community & Social Services funding changes that capped all municipalities at 2018 funding levels. Caseload size at that time was approximately 11,000 families and it was expected these funding changes would create future financial and resourcing pressures for the City to cover the Provincial 50% cost-share of inflationary and other service cost increases, notably financial pressures associated with the 17% rate increase for bus passes in 2020 essential for participation in employment activities, and staff resourcing to maintain existing demand in services.

With the onset of the COVID-19 pandemic and associated Government of Canada recovery benefits, the Ontario Works program experienced a decrease in caseload and employment related expenses in 2020 and 2021. While caseload has seen growth in 2022, it has not reached the level experienced pre-COVID and currently sits at approximately 9,100 families. It is anticipated caseload will continue to see growth in 2023, potentially returning to pre-pandemic levels. Based on timing of the anticipated caseload increase, part of the investment approved in the 2020 to 2023 Multi-Year Budget can be reduced without service impact.

Operating Budget Table (\$ Thousands)

Ontario Works	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$13,689	\$13,945	\$13,436	\$14,741	\$55,811	\$88,296
Amendment	N/A	N/A	N/A	-\$388	-\$388	\$0
Amended Net Budget (Tax Levy)	\$13,689	\$13,945	\$13,436	\$14,353	\$55,423	\$88,296

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	This budget amendment is not expected to have environmental impacts.
Socio-economic Equity	Ontario Works supports low-income individuals and families. With caseload size expected to remain below the Ministry-budgeted complement through much of 2023, individuals should continue to have access to the supports needed within existing budgets. An internal review of caseload forecasts and financial monitoring reports supports the proposed budget amendment. No external stakeholders have been consulted as no service impact is expected.
Governance	Should caseload growth in 2023 unexpectedly exceed the Ministry-budgeted complement, risks include reduced financial supports per individual for employment related expenses, as well as increased average caseload size per caseworker. Impacts include fewer benefits to support individuals in their pursuit of employment and stability, as well as a greater challenge for staff to provide effective service through higher caseloads. Because the proposed budget amendment is a partial reduction of the 2023 additional financial investment, it is expected the risk of negative impacts related to increased caseload can be managed with the remaining investment. Monthly monitoring of caseload and funding available will assist in managing and mitigating risk. The progress, results and impacts will be monitored monthly and communicated through the mid-year and year-end budget monitoring reports to Council.

Part B: Reduction in Child Care Investment in 2023 due to Transitional Funding Availability

What is the reason for the budget amendment?

In 2020, the Ministry of Education announced changes to the Child Care administrative cost share portion of the annual transfer payment agreement. These changes resulted in a budget request of an additional \$410 thousand per year from 2021 to 2023 in the Multi-Year Budget. For 2022, the Ministry communicated the change in municipal administrative cost share would not be required; if administrative cost share requirements are reinstated in 2023, one-time transitional funding received in 2021 and 2022 can be utilized to offset 2023 administrative costs.

Operating Budget Table (\$ Thousands)

Children's Services	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$7,782	\$7,400	\$7,170	\$8,860	\$31,212	\$53,166
Amendment	N/A	N/A	N/A	-\$410	-\$410	\$0
Amended Net Budget (Tax Levy)	\$7,782	\$7,400	\$7,170	\$8,450	\$30,802	\$53,166

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	This budget amendment is not expected to have environmental impacts.
Socio-economic Equity	This budget amendment is not expected to have any socio-economic or equity impacts as there is no anticipated impacts to service levels.
Governance	Although there is no direct impact in 2023, Civic Administration will continue to monitor Ministry communications for any changes that may impact future funding levels and budgets.

Additional Details

Administrative funding changes

The Ministry of Education introduced a reduction to the administrative funding cap from 10% to 5% starting in 2021. This change resulted in additional municipal contributions of \$410 thousand per year to continue to support Child Care and Early Years programming, which was approved through the City of London's 2020 to 2023 Multi-Year Budget process.

Subsequently, the provincial government provided a one-time transitional grant as part of its Child Care and Early Years allocation to the City of London for 2021 and 2022 to support municipalities with the transition of the funding change.

In 2022, the Ministry of Education announced that changes to administrative funding would be reversed for 2022, and Service System Managers would be allowed to retain the one-time transitional grants received. The Ministry of Education has not indicated whether the administrative funding changes will be reintroduced in 2023; however, if the funding change is reintroduced in 2023, the one-time transitional funding received in 2021 and 2022 can offset these costs.

Part C: Partial Deferral of Expansion Child Care Investment in 2023 due to COVID-19 Impacts

What is the reason for the budget amendment?

During the 2020 to 2023 Multi-Year Budget development process, service system planning forecasts anticipated the development of new child care centres that would necessitate additional funding to support new fee subsidy and other operational costs. Growth in the number of child care spaces is supported through Provincial Child Care Expansion Plan Funding (Expansion Plan funding).

Due to the COVID-19 pandemic, several capital construction projects that will expand the number of licensed child care spaces in London and Middlesex in 2023 were delayed. With revised construction timelines for these projects, there is anticipated savings of approximately \$232 thousand in municipal investment in 2023.

Operating Budget Table (\$ Thousands)

Children's Services	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$7,782	\$7,400	\$7,170	\$8,860	\$31,212	\$53,166
Amendment	N/A	N/A	N/A	-\$232	-\$232	\$0
Amended Net Budget (Tax Levy)	\$7,782	\$7,400	\$7,170	\$8,628	\$30,980	\$53,166

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	This budget amendment is not expected to have environmental impacts.
Socio-economic Equity	<p>Licensed child care creates environments where children can learn, grow, and thrive. In addition to its social impact, licensed child care helps more parents and caregivers pursue employment and education. While many families require child care, single parent households, which are most often led by women, may face additional pressures and needs¹.</p> <p>Demand for licensed child care is expected to increase with introduction of the Canada-Wide Early Learning and Child Care (CWELCC) agreement, resulting in potential impacts to accessibility of licensed child care spaces. As Service System Manager, the City of London prioritizes opportunities to responsibly expand the licensed child care system and provide ongoing supports for new licensed child care spaces. City staff anticipates it can continue to deliver on service system management objectives and Strategic Plan targets in 2023 if Council approves these proposed amendments.</p>
Governance	<p>Risks associated with the expansion funding amendment include the following:</p> <ul style="list-style-type: none"> - As noted in the Council motion introduced at the May 31 Community and Protective Services Committee meeting called “Supporting More Licensed Child Care Spaces”, significantly reduced licensed child care costs through CWELCC are expected to lead to a sharp increase in demand; this may exacerbate challenges faced by families who have barriers to accessing licensed child care - Council’s Strategic Plan includes targets for expansion of licensed child care spaces; while this amendment is not anticipated to impact the City’s ability to meet these targets, cost savings could be redirected to other expansion opportunities that may materialize in 2023 - Provincial funding levels and expectations may shift in 2023 as the Ministry of Education releases a new child care funding formula and an anticipated expansion strategy associated with the CWELCC

¹ Conference Board of Canada, *Ready for Life: A Socio-Economic Analysis of Early Childhood Education and Care* (October 2017).

	<p>Risks for this amendment are mitigated through budget modelling based on funding formula calculations for the time periods these new sites will be open. If significant emergent expansion pressures or opportunities occur in 2023, staff will revisit budget projections and may draw on alternative funding if appropriate.</p> <p>The principal risk of not proceeding with this amendment is that municipal expansion funding will be under utilized if available funding is greater than fundable opportunities in 2023.</p>
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Additional Details

Revised expansion modelling

The London and Middlesex licensed child care system continues to grow to meet the needs of families. Expansion Plan funding supports the associated increased operational costs for services including fee subsidy, special needs resourcing, and capacity building to avoid putting additional strain on the existing system. Expansion Plan funding is cost-shared between the Province (80%) and City of London (20%) as Service System Manager.

The Ministry of Education has provided funding directly to school boards for four future school-based capital projects in London and Middlesex that include a child care component:

- Summerside Public School, Thames Valley District School Board
- River Heights Public School, Thames Valley District School Board
- St. Anne Catholic Elementary School, London District Catholic School Board
- École élémentaire Marie-Curie, Conseil scolaire Viamonde

Based on updated information from school board representatives on anticipated opening dates for these projects, revised financial models project \$232 thousand in potential savings for 2023 through reduced operational funding requirements. The funding is expected to be needed (and will remain in the budget) in 2024 and beyond as the new centres become operational.

2023 Annual Budget Update

Budget Amendment # P-3

Strategic Area of Focus: Strengthening our Community

Strategy: Increase supportive and specialized housing options for households experiencing chronic homelessness.

Budget Amendment Type: New Council Direction

Description: Roadmap to 3,000 Affordable Units – Portable Benefits & Staff Resources

Service(s): Housing Stability Services

Lead: Kevin Dickins, Deputy City Manager, Social and Health Development

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$1,794	\$1,794
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$1,794	\$1,794
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.26%	0.06% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$8.37	\$2.10 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Roadmap to 3,000 Affordable Units – Portable Benefits & Staff Resources

What is the reason for the budget amendment?

On December 7, 2021, Council approved the Roadmap to 3,000 Affordable Units Action Plan, and directed a business case be brought forward to the 2023 Annual Budget Update and subsequently the 2024 to 2027 Multi-Year Budget to establish a permanent funding source for the portable housing benefit program.

The Roadmap proposes a variety of tools, plans, investments, and approaches, which includes portable benefits as a key element. The program will provide rent allowances and supplements to tenants to allow access to available market units, and is critical to the overall Roadmap. It is forecasted that an incremental 100 units per year will be added for the next five years, with the goal of adding 500 portable benefits by 2026 (subject to budget approval).

Also, as articulated in the Roadmap to 3,000 Affordable Units Action Plan, three additional full-time resources (1 Legal & 2 Finance) are required to support implementation and ongoing operation of the Roadmap plan, including negotiating suitable contribution agreements with proponents, processing payments, monitoring financial progress against the Roadmap, completing necessary financial reporting, etc.

Operating Budget Table (\$ Thousands)

Roadmap to 3,000 Affordable Units	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy) ¹	\$0	\$0	\$0	\$0	\$0	\$0
Amendment	N/A	N/A	N/A	\$1,794	\$1,794	\$21,564
Amended Net Budget (Tax Levy)	\$0	\$0	\$0	\$1,794	\$1,794	\$21,564

Subject to rounding.

Note 1 – The Operating Budget Table for Roadmap to 3,000 Affordable Units is representative of net budget (tax levy) only, thus excludes impacts of amounts from the Operating Budget Contingency Reserve used to temporarily fund the 2022 operating costs of this plan.

Staffing Impact Table

Staffing Summary - Changes	2020	2021	2022	2023
# of Full-Time Employees Impacted	N/A	N/A	N/A	3.0
# of Full-Time Equivalents Impacted	N/A	N/A	N/A	3.0
Cost of Full-Time Equivalents (\$ Thousands)	N/A	N/A	N/A	\$354

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	There is no anticipated environmental impact as a result of this request.
Socio-economic Equity	<p>London has been facing growing housing needs as the number of individuals and families experiencing homelessness has increased. It is imperative that the housing stability sector use all available tools efficiently to support individuals and families experiencing, and at risk of, homelessness to secure and maintain housing to contribute to an individual’s path to recovery and stabilization.</p> <p>Portable benefits are another tool and key part of the Roadmap, which will provide better access and choice of units for the supported population.</p>
Governance	The risk of not proceeding with this request would be that at least 200 individuals are unable to leave shelter (estimated 100 individuals receiving ongoing support in 2022, ramping up to an additional of 100 more individuals starting 2023) or continue to experience unsheltered and hidden homelessness. Having continued investment into portable benefits to support the Roadmap is a key outcome of the success of that plan and provides necessary flexibility for the Housing Stability Services team and funded agencies to support individuals where they are and with the housing they need.

Additional Details

As part of implementing the Housing Stability Action Plan, portable benefits are a tool being used to support the economic needs of individuals and families experiencing homelessness. The demand on these resources has risen as the impacts of the COVID-19 pandemic on housing rental prices continues to increase. In order to support individuals living in shelter, living unsheltered or those who are hidden homeless and those on the community housing waitlist, increased resources are needed to support the Council-approved Roadmap to 3,000 Affordable Units Action Plan. These benefits serve an important role in the spectrum of housing supports as it provides opportunity for direct rental relief and opens avenues for individuals to obtain and afford more market based rental units over a period of time to ensure housing stability, so that a person can also pursue gains in their social and economic stability.

Portable benefits are flexible, temporary investments in long-term housing stability for individuals and families at risk of or experiencing homelessness. This portable housing benefit supports a housing first/stability approach by assisting with rapid access to permanent housing in the neighbourhood of the individual's or family's choice while longer-term solutions to support the cost of rent are identified and secured.

Links to previous related reports:

[Municipal Council Approval of the Housing Stability Plan 2019 to 2024](#)

[Proposed Implementation of the "Roadmap to 3,000 Affordable Units" \(Roadmap\) Action Plan](#)

2023 Annual Budget Update

Budget Amendment # P-4

Strategic Area of Focus:	Strengthening Our Community; Building a Sustainable City; Leading In Public Service
Strategy:	Create programs and exhibitions to foster health and well-being. Revitalize London's downtown and urban areas.
Budget Amendment Type:	New Council Direction
Description:	Permanent Funding for Project Clean Slate
Service(s):	Community Improvement/BIA
Lead:	Scott Mathers, Deputy City Manager, Planning and Economic Development

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$200	\$200
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$200	\$200
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.03%	0.01% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$0.93	\$0.24 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Permanent Funding for Project Clean Slate

What is the reason for the budget amendment?

This program began as a pilot in 2021. The City partnered with Youth Opportunities Unlimited (YOU) to administer the program. Project Clean Slate helps to address the issue of loose trash and garbage on private property in the Core Area, while at the same time providing employment and development opportunities for youth engaged in YOU programming. Using reallocations within existing budgets, Council funded the Project in 2021 and 2022. In the March 8, 2022 Strategic Priorities and Policy Committee (SPPC) report, Civic Administration noted that, should the outcomes from the extended pilot project continue to be positive, staff will investigate permanent funding options. One potential external funding source being investigated is Federal funding through the Youth Employment and Skills Strategy (YESS). The application and approval process is underway, however, the outcome will not be known until late 2023. The remainder of the pilot has gone well. Project Clean Slate is one of YOU's most positive employment programs in terms of success with the most highly barriered youth.

Operating Budget Table (\$ Thousands)

Funding for Project Clean Slate	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$0	\$54	\$147	\$0	\$0	\$0
Amendment	N/A	N/A	N/A	\$200	\$200	\$1,200
Amended Net Budget (Tax Levy)	\$0	\$54	\$147	\$200	\$200	\$1,200

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	Maintaining cleanliness is a basic element underpinning London’s Core Area as a viable compact urban environment that offers an alternative to other forms of development that may be more carbon-intensive in their environmental impacts.
Socio-economic Equity	Service provider Youth Opportunities Unlimited serves vulnerable populations. Project youth who join the program often struggle to find employment in the community. This project supports these individuals to build skills, confidence, and independence. Youth engaged in the project gain a sense of pride in helping keep the Core Area clean. They gain a variety of work experiences which often leads to full-time employment in the community.
Governance	Project Clean Slate is modelled after successful initiatives in other communities, where environmental and social community objectives are met simultaneously. Project Clean Slate works closely with the Downtown London, and Old East Village BIAs to respond to issues reported by businesses, often on private property. City services are limited to public property. The risk of not funding this program is the City is unable to provide the service to private property and the BIAs would otherwise struggle to fill this gap in service.

Additional Details

Links to Previous Reports:

[Strategic Priorities and Policy Committee, March 8, 2022, Core Area Action Plan 2021 Review](#)

[Strategic Priorities and Policy Committee, May 18, 2021, Comprehensive Report on Core Area Initiatives](#)

2023 Annual Budget Update

Budget Amendment # P-5

Strategic Area of Focus: Leading In Public Service

Strategy: Continue to maintain, build, and enhance a high-performing and secure computing environment.

Budget Amendment Type: New Council Direction

Description: Cybersecurity Infrastructure Expansion and Updates

Service(s): Information Technology Services (ITS)

Lead: Jacqueline Davison, Deputy City Manager, Enterprise Supports
Mat Daley, Director, Information Technology Services

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$1,009	\$1,009
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$1,009	\$1,009
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.14%	0.04% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$4.71	\$1.18 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Cybersecurity Infrastructure Expansion and Updates

What is the reason for the budget amendment?

The ITS Division faces new and rapidly evolving cybersecurity threats such as ransomware attacks that put the Corporation at significant operational and financial risk in the event of a successful attack. These risks are further magnified by the lack of available insurance products to help mitigate the impacts of the risks.

Further details concerning the associated risks of cybersecurity threats, the cybersecurity insurance environment, and ITS's current and proposed defensive measures were provided to Council, in closed session, at its meeting held on March 22, 2022, at which time Council resolved:

“That, on the recommendation of the Deputy City Manager, Enterprise Supports, the following actions be taken with respect to Information Security at the City of London:

- a) the report dated February 28, 2022 BE RECEIVED for information; and,
- b) the Civic Administration BE DIRECTED to prepare an Information Security enhancement budget amendment for submission to the forthcoming 2023 Annual Budget Update process.”

Operating Budget Table (\$ Thousands)

Information Technology Services	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy) ¹	\$19,208	\$20,440	\$21,164	\$21,357	\$82,169	\$128,142
Amendment	N/A	N/A	N/A	\$1,009	\$1,009	\$6,054
Amended Net Budget (Tax Levy)	\$19,208	\$20,440	\$21,164	\$22,366	\$83,178	\$134,196

Subject to rounding.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Information Technology Services	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget ¹	\$5,772	\$2,164	\$4,436	\$3,921	\$16,293	\$20,321
Amendment ¹	N/A	N/A	N/A	\$142	\$142	\$0
Amended Budget	\$5,772	\$2,164	\$4,436	\$4,063	\$16,435	\$20,321

Subject to rounding.

Notes:

- 1) To best reflect the cost of ITS capital operations, the figures presented in the “Previously Approved Budget” row represent the area’s total 2020 to 2029 capital plan, which is inclusive of all ITS functions; it being further noted that the one-time capital amendment of \$142 thousand pertains to professional services associated with initial implementation costs.

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	N/A	-\$142	-\$142	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported	N/A	N/A	N/A	\$0	\$0	\$0
Amended Budget	\$5,772	\$2,164	\$4,436	\$4,063	\$16,435	\$20,321

Subject to rounding.

Notes:

- 1) The reserve fund source of financing is the Technology Services Renewal Reserve Fund.
- 2) The 2030 capital gross expenditure is \$2,166,105.
- 3) The 2031 capital gross expenditure is \$7,254,741.
- 4) The 2032 capital gross expenditures is \$2,190,945.

Staffing Impact Table

Staffing Summary - Changes	2020	2021	2022	2023
# of Full-Time Employees Impacted	N/A	N/A	N/A	2
# of Full-Time Equivalents Impacted	N/A	N/A	N/A	2.0
Cost of Full-Time Equivalents (\$ Thousands)	N/A	N/A	N/A	\$219

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	This amendment has no environmental impacts.
Socio-economic Equity	This amendment relates to ensuring the continuity of a wide range of City of London public services that leverage Information Technology systems and assets, thus, it stands to benefit all Londoners, including equity-deserving and other vulnerable groups. Additionally, this amendment will reduce the potential financial and operational risks to the City of London of a major cybersecurity incident. Cybersecurity attacks against financial systems, essential operations, and critical infrastructure are becoming commonplace events in today's world.
Governance	Cybersecurity threat actors continue to refine and improve their techniques to infiltrate and compromise government agencies, corporations, and providers of critical infrastructure and public services. As such this budget amendment will assist the City's ability to detect and disable external network threats and protect key proprietary and personal information from being stolen or held for ransom. Not approving the amendment will increase the risk of the corporation to new cybersecurity threats and loss of business continuity and data.

Additional Details

Civic Administration recommends reviewing additional details regarding this budget amendment in an in-camera Council session given the confidential and sensitive nature of the associated investments.

2023 Annual Budget Update

Budget Amendment # P-6

Strategic Area of Focus: Strengthening Our Community

Strategy: Enhance public trust and confidence by ensuring appropriate response to victims, the vulnerable, and racialized persons and groups.

Budget Amendment Type: New Council Direction

Description: 1001 Inventions Exhibit - A London for Everyone: An Action Plan to Disrupt Islamophobia

Service(s): Anti-Racism and Anti-Oppression

Lead: Lynne Livingstone, City Manager
Rumina Morris, Director, Anti-Racism and Anti-Oppression

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$0	\$0.00 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

1001 Inventions Exhibit - A London for Everyone: An Action Plan to Disrupt Islamophobia

What is the reason for the budget amendment?

On February 15, 2022, Council resolved that the recommendations of A London for Everyone: An Action Plan to Disrupt Islamophobia be endorsed. One such recommendation is for the City of London to work with local community based and public sector organizations to explore the feasibility of bringing the 1001 Inventions exhibition to London in October 2023. 1001 Inventions is a not-for-profit award-winning international science and cultural heritage organization based in the United Kingdom (UK) that raises awareness of the creative golden age of Arabic Science. This will be the first time the exhibition will be brought to Canada, offering the City of London a unique opportunity to demonstrate its commitment to highlighting and honouring the contributions of Muslims.

The Action Plan to Disrupt Islamophobia was developed in response to the June 6, 2021 terror attack, which took the lives of four members of a visibly Muslim family in London. While several of the recommendations may have longer-term budget implications, the recommendation to consider bringing the 1001 Inventions exhibit to London is being explored for October 2023. Other recommendations with financial impacts will be considered as part of the 2024-2027 Multi-Year Budget process.

Operating Budget Table (\$ Thousands)

Anti Racism Anti Oppression	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$0	\$789	\$817	\$818	\$2,423	\$4,908
Expenditure Amendment	N/A	N/A	N/A	\$125	\$125	\$0
Revenue Amendment ¹	N/A	N/A	N/A	-\$125	-\$125	\$0
Amended Net Budget (Tax Levy)	\$0	\$789	\$817	\$818	\$2,423	\$4,908

Subject to rounding.

Notes:

- 1) The one-time funding for this initiative will be sourced by a drawdown from the Community Investment Reserve Fund which has a forecasted uncommitted balance of approximately \$1.3 million.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	<p>This proposed amendment will not have any significant positive or negative direct impact to London’s Climate Emergency Action Plan. The exhibit will be transported from the United Kingdom via air transportation. Minimal staff accompany the exhibit and local residents will be hired to support the exhibit set up and operations. This will reduce the amount of travel and transportation from overseas and will minimize the carbon footprint as a result.</p>
Socio-economic Equity	<p>Through extensive community engagement in response to the terror attack, the Muslim community overwhelmingly shared that an important way to disrupt Islamophobia is to share knowledge and information about Muslim people. The exhibit is one way that we can showcase and highlight the contributions of Muslims in our world history. It is anticipated that the exhibit will be viewed by students through school trips. There will also be employment opportunities for young adults to participate in the exhibition.</p>
Governance	<p>The risks of approving this amendment are that other equity-deserving groups may suggest that their communities should also be receiving similar support. Work is currently underway to develop similar action plans for other equity-deserving groups, and recommendations which emerge may require future budget amendments.</p> <p>The risk of not approving this amendment is that the community may interpret this as a lack of commitment to ending Islamophobia as was promised through the endorsement of the Action Plan. The Action Plan is also in alignment with the Strategic Plan Area of Focus of Strengthening Our Community. It is also in alignment with our Emerging Priority of Anti-Racism and Anti-Oppression. The nation has been watching to see how London is responding to the serious act of Islamophobia and not delivering on this commitment could have reputational repercussions.</p>

2023 Annual Budget Update

Budget Amendment # P-7

Strategic Area of Focus:	Strengthening our Community
Strategy:	Deliver health protection and promotion programs guided by population health surveillance
Budget Amendment Type:	Cost Driver
Description:	Additional Land Ambulance Resources to Address Service Pressures
Service(s):	Land Ambulance
Lead:	Middlesex-London Paramedic Service Anna Lisa Barbon, Deputy City Manager, Finance Supports

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$0	\$0.00 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Additional Land Ambulance Resources to Address Service Pressures

What is the reason for the budget amendment?

The COVID-19 pandemic has exacerbated existing challenges within the healthcare system, including those with the land ambulance system. Ambulance services in London & Middlesex, delivered by the Middlesex-London Paramedic Service (MLPS) under the responsibility of the County of Middlesex as the designated service system manager, continue to experience growing demand, with call volumes up approximately 6% between January 1, 2022 and September 30, 2022 compared to the same period in 2021. This continues the trend in growing service demand that was observed in the years preceding the COVID-19 pandemic. Compounding the growing demand, offload delays at area hospitals continue to be problematic and, in fact, have accelerated in 2022. For January 1, 2022 to September 30, 2022, MLPS reported offload delays at London Health Sciences Centre increasing at a rate of 122% compared to 2021. MLPS is also in the process of finalizing its 2022-2026 Strategic Plan which will identify strategies to address these and other challenges facing the ambulance service. In addition to the pressures associated with growing demand, offload delays and resources required to implement their Strategic Plan, MLPS has identified inflationary pressures as further contributing to the financial challenges being faced. Based on these factors, the City of London has been advised that the City's share of the Land Ambulance budget for 2023 exceeds the previously approved budget and related contingencies. As a significant portion of the total budget increase is linked to a growing city and growing demand for the service (as articulated in the "Additional Details" section below), Civic Administration recommends utilizing assessment growth funding, in alignment with the Assessment Growth Policy, to fund the additional resources required in 2023.

Operating Budget Table (\$ Thousands)

Land Ambulance	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$18,943	\$21,822	\$24,332	\$27,776	\$92,873	\$166,656
Amendment	N/A	N/A	N/A	\$1,759*	\$1,759	\$10,554
Amended Net Budget (Tax Levy)	\$18,943	\$21,822	\$24,332	\$29,535	\$94,632	\$177,210

Subject to rounding.

* As outlined in this amendment, a significant portion of the proposed budget increase is attributable to growth. It is recommended that this portion of the budget increase be funded through assessment growth funding in accordance with the City's Assessment Growth Policy; in other words, utilizing assessment growth funding for growth-related costs to mitigate the tax levy increase of this amendment.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:

Governance

Socio-economic Equity

Environmental

Environmental	<p>This budget amendment has limited impacts on emissions and no noteworthy climate resilience impacts. While additional ambulances will generate additional carbon emissions, this may be somewhat mitigated by potentially enabling MLPS to reduce reliance on shifting vehicles from county stations into the city and/or reducing the number of occasions when resources need to be called upon from neighbouring ambulance services. Reducing these instances will also help to reduce the emissions associated with those vehicle movements.</p>
Socio-economic Equity	<p>It is anticipated that this amendment will have positive impacts on vulnerable groups, particularly those who are experiencing physical and/or mental health challenges. The additional resources to be funded through this amendment will help to maintain and improve service levels being delivered by MLPS, including the ability to respond in a timely fashion to those experiencing health emergencies. While it is anticipated that the additional resources will have a highly positive impact, it is important to note that some of the challenges facing the land ambulance system are outside the control of MLPS, such as offload delays at hospitals, and therefore the achievement of positive impacts are contingent upon improvement (or no further deterioration) in these other factors.</p>
Governance	<p>There are a number of potential risks associated with not approving the additional resources associated with this budget amendment. First, from an organizational impact perspective, the additional resources will help to mitigate the burden on existing staff that are being stretched thin by the demands currently being experienced by the ambulance service. Additionally, a portion of the additional resources will be utilized for additional training to ensure staff remain up to date on the latest requirements. Furthermore, a portion of this budget increase is attributable to increased insurance costs, noting that maintaining adequate insurance is an important risk mitigation strategy for MLPS. Finally, and perhaps most importantly, not approving this budget amendment jeopardizes the ability of MLPS to comply with legislative requirements under the Ambulance Act and associated regulations.</p>

Additional Details

Based on information provided by, and discussions with, the County of Middlesex, as the designated service system manager for the Middlesex-London Paramedic Service, the increase in the Middlesex-London Paramedic Service budget can be summarized as follows:

(all figures in \$000's)	2022	2023	\$ Increase	% Increase
Gross Expenditure Budget	\$52,088	\$61,385	\$9,298	17.9%
Funded by:*				
Province of Ontario	\$23,393	\$26,116	\$2,723	11.6%
County of Middlesex	\$4,691	\$5,734	\$1,043	22.3%
City of London	\$24,004**	\$29,535	\$5,531	23.0%
Total Funding:	\$52,088	\$61,385	\$9,298	17.9%

* Historically, approximately 50% of the Land Ambulance budget has been funded by a discretionary grant provided by the Province, noting that this typically involves a one-year lag as the grant is based on the prior year's approved budget. The remaining funding is provided by the City and County based on the Council-approved cost apportionment agreement for Land Ambulance (85% based on proportionate weighted assessment in the City and County, 15% based on proportionate call volumes).

** Actual City of London share for 2022 was slightly less than included in the City's approved 2020 to 2023 Multi-Year Budget.

Based on information provided the County, the \$9.3 million increase in the total Middlesex-London Paramedic Service budget can be categorized as follows:

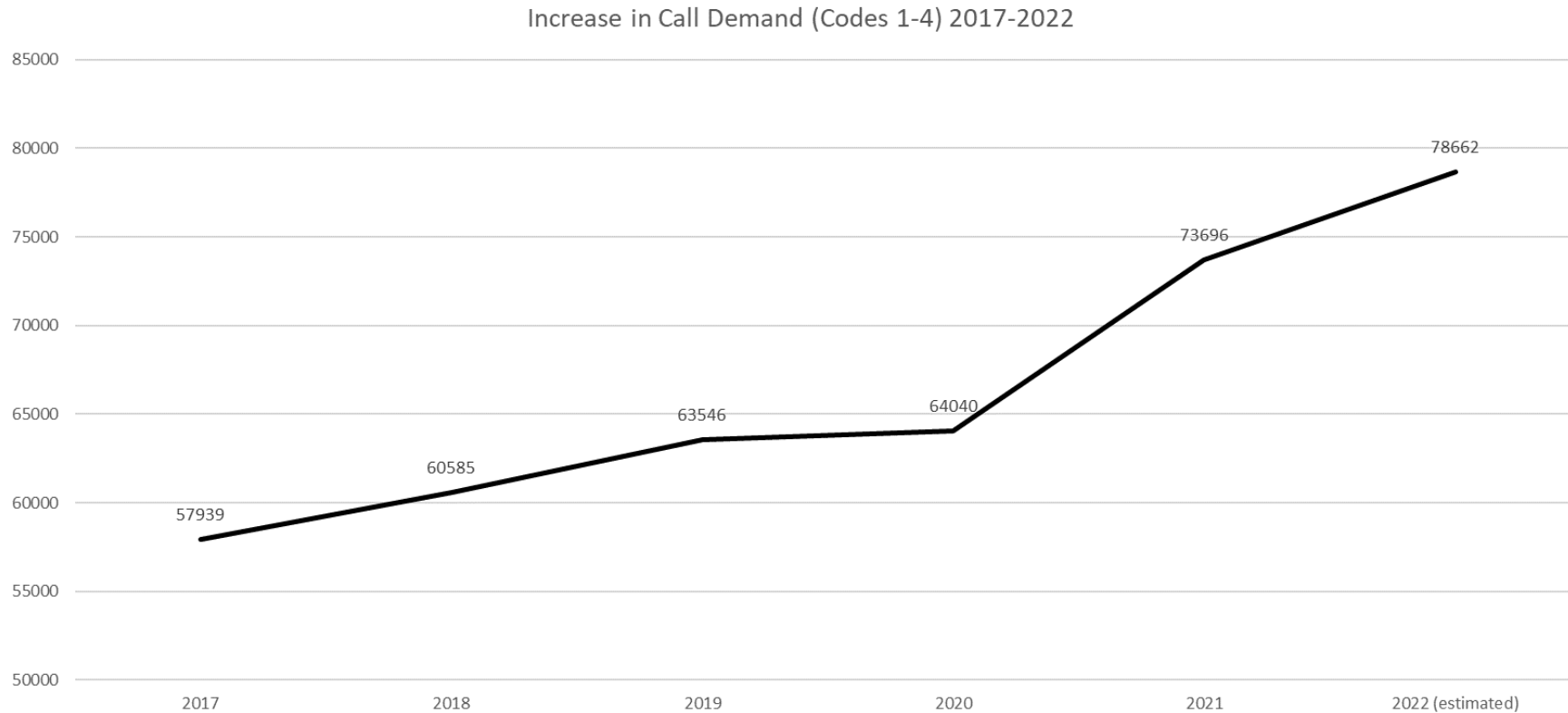
- Growth-related costs (\$4.1 million; approximately 44% of the total increase)
- Inflationary pressures (\$2.9 million; approximately 31% of the total increase)
- Increasing service demands (\$1.9 million; approximately 21% of the total increase)
- Legislative and risk management needs (\$0.4 million; approximately 4% of the total increase)

Growth-Related Costs:

The increased costs in the growth-related category include:

- New ambulances, equipment and staffing for the addition of one (1) new 24-hour vehicle and one (1) new 12-hour vehicle;
- Increased costs such as insurance for the new vehicles;
- Training directly related to new staffing for the additional vehicles;
- Additional costs for consumable supplies (medical supplies and equipment) for the new vehicles;
- Additional logistics and support staff to handle the additional ambulances in service and paramedic operations;
- Costs associated with new station builds that will accommodate more ambulances, paramedics and logistics as demand for service continues to grow.

The additional resources to manage service growth are intended to aid in addressing growing call volumes. As the following graph (provided by MLPS) illustrates, 2022 call volumes are projected to increase approximately 7% over 2021 volumes, on top of the 15% increase that was experienced in 2021:



There are a number of factors contributing to the increasing call volumes. Population growth is one factor, with the combined population of the City of London and County of Middlesex estimated to be approximately 500,000 people in 2021, up from 455,526 per the 2016 census, representing an approximate 10% increase over that period. However, population growth alone does not account for the call volumes increasing at a much faster rate as the graph above illustrates. Other contributing factors include changing demographics, increasing awareness and complexity of mental health issues, etc.

As noted, approximately 44% of the total budget increase is attributable to growth per the information received from the County. Applying this same proportion would indicate that up to \$2.4 million of the increase in the City's share relates to growth costs that would be appropriately funded through assessment growth in accordance with the Council-approved Assessment Growth Policy. However, as

the shortfall relative to approved budgets is only approximately \$1.7 million, Civic Administration recommends funding that gap with assessment growth funding.

As part of the development of the MLPS 2022-2026 Master Plan, it has been identified that further increases to manage growth needs will be required in future years. The modelling completed to support the Master Plan indicates that average weekly vehicle hour requirements are likely to increase between 19% to 41% by 2026 depending on the level of growth experienced in the next few years. Per the Master Plan, if no other system changes are made, MLPS would require a 10% increase in resourcing over the next five years to manage a 19% increase in demand.

Inflationary Pressures:

The increased costs related to inflationary pressures include:

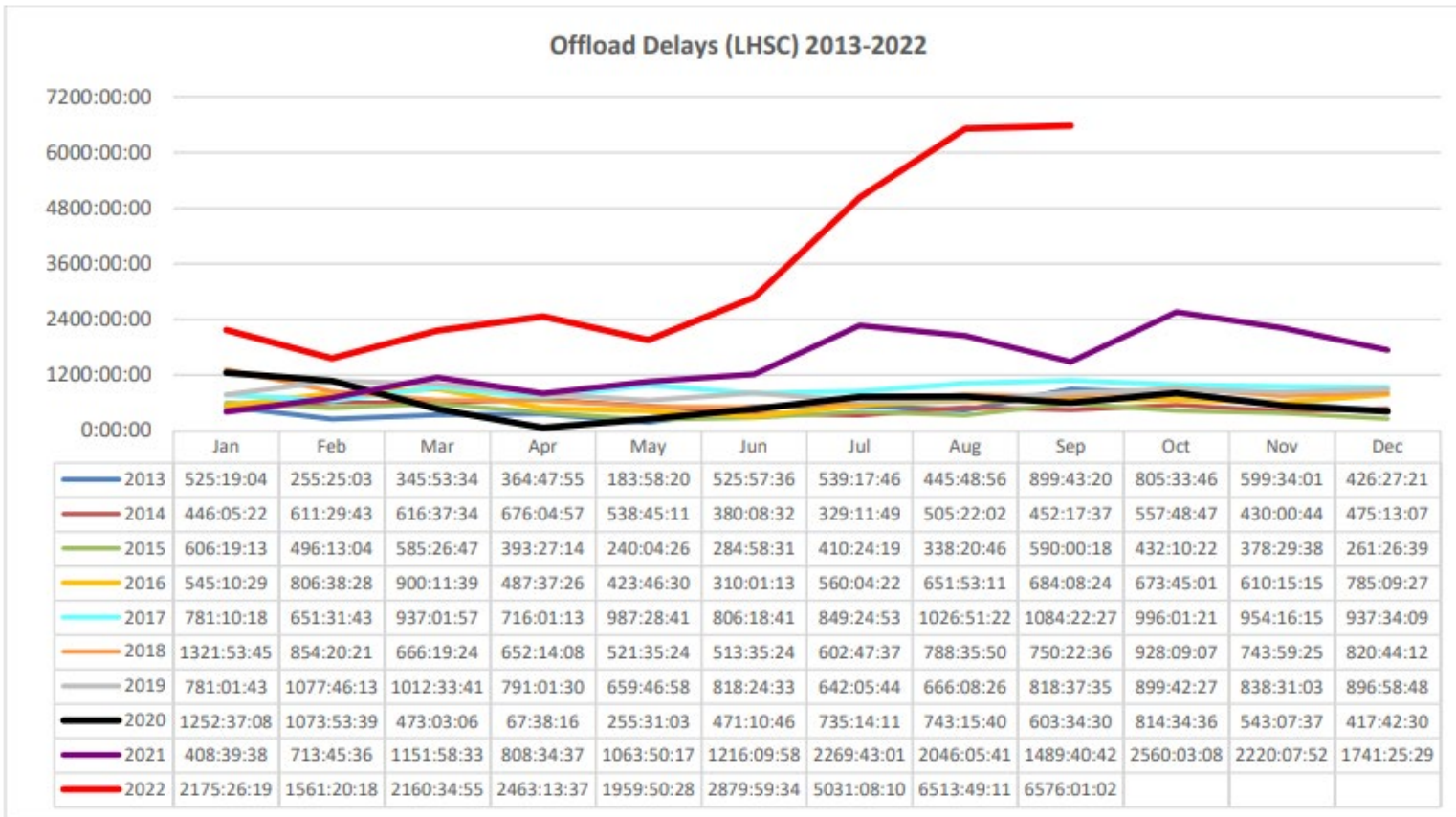
- Additional staffing and benefits costs in accordance with new collective agreement obligations (noting that the collective agreement has been settled since the original estimates were provided for the 2020-2023 Multi-Year Budget);
- Accelerating vehicle and liability insurance costs (insurance costs have increased by approximately 35%);
- Increased costs associated with vehicle operations (e.g. fuel, vehicle parts, maintaining older vehicles, etc.);
- Costs related to consumable supplies are increasing (e.g. medical supplies, oxygen, uniforms and equipment);
- Increasing lease costs based on existing lease obligations;
- Increase in the cost of replacing an ambulance and the associated equipment.

Increasing Service Demands:

This category reflects increased costs due to additional factors placing strain on the ambulance system, driven by:

- Offload delays;
- Sanctioned and unsanctioned special events, and joint response to events (additional resources to support events such as Homecoming and Rock the Park, noting that additional resources include staffing costs (paramedics, logistics and support staff) and external allied agencies);
- Investments in mental health supports and occupational health and safety training;
- Purchase of new ambulances to respond to the challenges of higher call volumes and higher ambulance usage rates;
- Increased costs associated with vehicle operations and consumable supplies (e.g. additional maintenance costs due to increased fleet size and calls).

The following graph, provided by MLPS, illustrates the total time lost due to offload delays at London Health Sciences Centre over the past 10 years. The red line represents 2022, while the purple line reflects 2021. As shown, the time lost to offload delays accelerated in the second half of 2021 and has continued to grow in 2022:



The causes and implications of the offload delays were summarized in MLPS’s August 30, 2022 Paramedic System Status Update report to County Council:

“There are many factors which contribute the increasing of offload delays such as the sheer volume of patients that are brought into emergency departments by ambulance or private means. The acuity of patients, in that higher acuity patients require greater time in the emergency department reducing access to beds for other patients and are often subsequently admitted to hospital which further reduces the access to care spaces and the flow of patients in the department. COVID safety protocols and outbreaks still result in restricted access to care spaces and further inhibit access to beds and reduce flow in the emergency department and staffing levels within all departments (both the floors and in the emergency departments) reduce the capacity of the emergency department. The resulting bottleneck is felt in the emergency department where admitted patients wait for many hours (sometimes days) to be moved to a floor which removes access to that bed for emergency patients. Reduced staffing on the floors removes access to beds for admitted

patients waiting in the emergency departments and lack of staffing in the emergency departments leads to patient care spaces being closed and inaccessible for emergency patients.

The net effect of all this is felt by MLPS. This bottleneck creates a backlog in which paramedics wait for hours in the back hallways with their patients. This is known as an “offload delay” but the problem is deeper than a simple delay in processing the patient. The impact is that there is no physical space or capacity for the emergency department to receive the patient and as such, the paramedics continue care which reduces the number of paramedic units (ambulances) available to respond to calls.”

According to same report, total offload delays in 2021 exceeded any other year by more than 3,700%. Further, “in 2022 to date (January 1 through July 31), MLPS has lost a total of 18,615 hours to offload delays at LHSC. This equates to 3.7 24-hour ambulances per day. The total number of offload delays being experienced each day is increasing as is the duration of each offload delay. The total number of offload delays has increased by 37.8% and the average length of each delay has increased by 46.39%.”

The offload delays are further compounded by the growth being experienced in the geographic service area. As noted in the aforementioned report, “When demand is high, and resources are impaired by offload delays the 911 system can enter into a “Code Zero”. Code Zero reflects that at that moment in time there are no available MLPS paramedic resources available to respond to 911 calls. Fluid deployment across the province of Ontario would result in the dispatching of the closest ambulance from another county or catchment area but this increases the response time for citizens and places strain on our municipal neighbours. Code Zero status is declared by the Central Ambulance Communication Centre (CACC) and is released by the CACC. Data and control for these instances rests with CACC but since June 1, 2022, MLPS has experienced more than 57 instances of Code Zero.”

Legislative and Risk Management Needs:

This category includes increased costs to address emerging legislative and risk mitigation needs include:

- Additional specialized training in response to the changing dynamics and complexity of calls in the community;
- Increase in training costs to reflect the additional full-time and part-time staffing levels.

Other Information to Refer to:

Implementation of Key Recommendations from MLPS Strategic Plan, Report to County Council, Agenda Item 8.a: [8 a - CC - October 25 - 2022-10-25 ORH Key Recommendations \(escribemeetings.com\)](#)

Paramedic System Status Update Report to County Council, August 30, 2022, Agenda Item 8.c: <https://pub-middlesexcounty.escribemeetings.com/FileStream.ashx?DocumentId=6048>

Cost Apportionment Agreement for Land Ambulance, Community and Protective Services Committee, January 23, 2018, Agenda Item 6: <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=38703>

2023 Annual Budget Update

Budget Amendment # P-8

Strategic Area of Focus:	Building a Sustainable City
Strategy:	Implement the strategic program of road improvements identified in the Smart Moves Transportation Master Plan.
Budget Amendment Type:	Cost Driver
Description:	<p>Realignment and Adjustment of Capital Growth Project Budgets</p> <p>Part A: TS1134 - Intersection - Richmond Street and Fanshawe Park Road</p> <p>Part B: TS1523-2 - Bradley Avenue Extension, Jalna to Wharncliffe Growth Management Implementation Strategy (GMIS) Project</p> <p>Part C: TS1366 - White Oak Road - Exeter Road - 400 Meters South</p> <p>Part D: TS1336 - Intersection - Southdale - Colonel Talbot (Roundabout) TS1329 - Colonel Talbot Road - 300 Meters South of Southdale to James Street</p> <p>Part E: TS1746 - Dingman Drive - Highway 401 Bridge to Wellington Road</p> <p>Part F: TS1358 - Pack Road - Colonel Talbot to Bostwick Road TS1455 - Bostwick Road - Pack Road to Wharncliffe Road</p> <p>Part G: TS1359 - Windermere Road - Western Road to Richmond Street</p> <p>Part H: TS1332 - Intersection - Oxford - Gideon (Roundabout)</p> <p>Part I: TS1496 - Sunningdale Road Widening - 150 Meters West of Richmond to 150 Meters East of Richmond TS1496-3 - Sunningdale Road - Wonderland Road 150 Meters West of Richmond Street (GMIS) TS1670 - Intersection - Sarnia/Philip Aziz - Western Road</p>

Service(s): Roadway Planning and Design

Lead: Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$0	\$0.00 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Part A: TS1134 - Intersection - Richmond Street And Fanshawe Park Road

What is the reason for the budget amendment?

The current economic environment is significantly impacting capital construction pricing based upon increased inflation, supply chain challenges for certain construction materials and labour shortages. The project budgets that were established several years ago no longer reflect the current economic situation and require amendment. Factors such as increased fuel prices, labour shortages, increased labour wages for retention, supply and demand issues for specific construction materials and limited competition among suppliers for some materials are increasing risk levels for construction pricing of infrastructure projects. This increased risk is being reflected in construction pricing particularly for large, complex infrastructure projects that require full construction seasons to undertake and involve multiple disciplines, subcontractors and suppliers.

In addition to the current economic situation, as this project progressed from the 2018 planning and environmental assessment phases to detailed engineering and tender preparation, better information was available to inform the construction estimate and the total required budget for this project. This includes additional costs for property, building demolition and removals, relocation of utility infrastructure, complete street components and underground conditions that were unknown at the time of the Environmental Assessment. Many of these items required investigation during the detailed engineering phase and the completion of activities such as soil sampling and testing, subsurface utility investigation and test pits and field surveys to be completed before an accurate estimate of the required construction quantities and costs could be finalized.

At this stage in the project, it is estimated that approximately 40% of the requested budget amendment amount of \$13,300,000 is associated with current economic factors, 30% is associated with additional property related costs and 30% is attributable to addressing requirements and findings that arose during the detailed engineering phase including utility relocations.

This intersection is adjacent to a Transit Village place type and this area is experiencing significant development and growth. There are expectations from residents and stakeholders that this project will move forward, and that this intersection will be reconstructed to provide streets that meet the City's complete streets design standards and address the significant area growth.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Intersection - Richmond Street and Fanshawe Park Road	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1134	\$5,850	\$5,400	\$1,345	\$0	\$12,595	\$0
Amendment	N/A	N/A	N/A	\$13,300	\$13,300	\$0
Amended Budget	\$5,850	\$5,400	\$1,345	\$13,300	\$25,895	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	-\$428	-\$428	\$0
Debenture	N/A	N/A	N/A	-\$1,234	-\$1,234	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	N/A	-\$11,637	-\$11,637	\$0
Amended Budget	\$5,850	\$5,400	\$1,345	\$13,300	\$25,895	\$0

Subject to rounding.

Notes:

- 1) The non-tax supported source of financing is drawdown and debenture serviced through the City Services Roads Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Additional Details

Link to previous related report:

- [Civic Works Committee, April 16, 2019, Fanshawe Park Road & Richmond Street Intersection Detailed Design and Tendering Appointment of Consulting Engineer](#)

Part B: TS1523-2 Bradley Avenue Extension, Jalna to Wharncliffe (GMIS Project)

What is the reason for the budget amendment?

The current economic environment is significantly impacting capital construction pricing based upon increased inflation, supply chain challenges for certain construction materials and labour shortages. The project budgets that were established several years ago no longer reflect the current economic situation and require amendment. Factors such as increased fuel prices, labour shortages, increased labour wages for retention, supply and demand issues for specific construction materials and limited competition among suppliers for some materials are increasing risk levels for construction pricing of infrastructure projects. This increased risk is being reflected in construction pricing particularly for large, complex infrastructure projects that require full construction seasons to undertake and involve multiple disciplines, subcontractors and suppliers.

In addition to the current economic situation, as this project progressed from the 2005 planning and environmental assessment phases to detailed engineering and tender preparation, better information was available to inform the construction estimate and the total required budget for this project. This includes additional costs for property, environmental mitigation and approvals, drainage, relocation of utility infrastructure, complete street components and underground conditions that were unknown at the time of the Environmental Assessment. Many of these items required investigation during the detailed engineering phase and the completion of activities such as soil sampling and testing, environmental field reviews and reporting, subsurface utility investigation and test pits and field surveys to be completed before an accurate estimate of the required construction quantities and costs could be finalized.

At this stage in the project, it is estimated that approximately 40% of the requested budget amendment amount of \$8,100,000 is associated with current economic factors and 60% is attributable to addressing requirements and findings that arose during the detailed engineering phase including major drainage works that were not anticipated during the planning phase.

This project will include a new extension of Bradley Avenue which will complete the area transportation network and provide continuous cycling facilities, sidewalks, and traffic lanes. The project will support significant development and growth in the area and allow for efficient mobility through the southwest area of the city.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Bradley Avenue Extension, Jalna To Wharnccliffe	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – TS1523-2	\$2,567	\$644	\$0	\$8,713	\$11,924	\$0
Amendment	N/A	N/A	N/A	\$8,100	\$8,100	\$0
Amended Budget	\$2,567	\$644	\$0	\$16,813	\$20,024	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	N/A	-\$8,100	-\$8,100	\$0
Amended Budget	\$2,567	\$644	\$0	\$16,813	\$20,024	\$0

Subject to rounding.

Notes:

- 1) The non-tax supported source of financing is debenture serviced through the City Services Roads Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Additional Details

Previous related report:

- [Civic Works Committee, September 13, 2022, Bradley Avenue Extension, White Oak Road to Jalna Boulevard \(West Leg\) Municipal Class Environmental Assessment Addendum](#)

Part C: TS1366 - White Oak Road - Exeter Road to 400 Meters South

What is the reason for the budget amendment?

The current economic environment is significantly impacting capital construction pricing based upon increased inflation, supply chain challenges for certain construction materials and labour shortages. The project budgets that were established several years ago no longer reflect the current economic situation and require amendment. Factors such as increased fuel prices, labour shortages, increased labour wages for retention, supply and demand issues for specific construction materials and limited competition among suppliers for some materials are increasing risk levels for construction pricing of infrastructure projects.

In addition to the current economic situation, as this project progressed from the early planning phases to detailed engineering and tender preparation, better information was available to inform the construction estimate and the total required budget for this project. This includes additional costs for environmental requirements and mitigation, drainage, relocation of utility infrastructure, complete street components and underground conditions that were unknown earlier. Many of these items required investigation during the detailed engineering phase and the completion of activities such as soil sampling and testing, environmental field reviews, a detailed culvert assessment and field surveys to be completed before an accurate estimate of the required construction quantities and costs could be finalized.

At this stage in the project, it is estimated that approximately 40% of the required amendment amount of \$2,110,000 is associated with current economic factors and 60% is due to detailed engineering design findings.

This project will include active transportation elements including new sidewalks and the extension of cycling facilities consistent with the City's complete streets standards to support ongoing growth and development in this area of the city.

Capital Budget Expenditure Amendment Table (\$ Thousands)

White Oak Road - Exeter Road To 400 Meters South	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1366	N/A	\$382	\$1,838	\$0	\$2,220	\$0
Amendment	N/A	N/A	N/A	\$2,110	\$2,110	\$0
Amended Budget	N/A	\$382	\$1,838	\$2,110	\$4,330	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	-\$209	-\$209	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	N/A	-\$1,901	-\$1,901	\$0
Amended Budget	\$0	\$382	\$1,838	\$2,110	\$4,330	\$0

Subject to rounding.

Notes:

- 1) The non-tax supported source of financing is debenture serviced through the City Services Roads Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Additional Details

Link to previous related report:

- [Civic Works Committee, June 1, 2021, White Oak Road Two-Lane Upgrades from Exeter Road to 400 m South – Appointment of Consulting Engineer](#)

**Part D: TS1336 - Intersection - Southdale - Colonel Talbot (Roundabout)
 TS1329 - Colonel Talbot Road - 300 Meters South of Southdale to James Street**

What is the reason for the budget amendment?

The construction of this project is currently programmed for 2024. In order to improve coordination with other adjacent projects, it is recommended that construction of this project be advanced to 2023. Also, as part of this amendment, deferral of TS1329 - Colonel Talbot Road - 300 meters south of Southdale to James Street is recommended to 2024 which will provide the required budget offset and provide additional time for public consultation to inform the final engineering design for this upgrade project.

In addition to the proposed adjustment to the project timing, additional funding is required to support construction of the project in 2023. The current economic environment is significantly impacting capital construction pricing based upon increased inflation, supply chain challenges for certain construction materials and labour shortages. The project budgets that were established several years ago no longer reflect the current economic situation and require amendment. Factors such as increased fuel prices, labour shortages, increased labour wages for retention, supply and demand issues for specific construction traffic and streetlight related materials and limited competition among suppliers for some materials are increasing risk levels for construction pricing of infrastructure projects.

As the engineering design for this project has progressed from the planning and environmental assessment phase, which was completed in 2019, better information is available to inform the required budget for this project. This includes additional costs for the relocation of utility infrastructure and to ensure appropriate permanent and temporary transitions to existing infrastructure to ensure coordination between adjacent projects and to address stormwater management requirements.

At this stage in the project, it is estimated that approximately 40% of the requested budget amendment amount \$6,750,000 is associated with current economic factors and 60% for addressing requirement and findings that arose during the detailed engineering phase including utility relocations and some temporary property requirements for construction purposes.

This project will support the significant growth occurring in the southwest area of the city. There are expectations from stakeholders that this project will move forward, and that this intersection will be constructed as a roundabout which is consistent with City standards and providing efficient mobility for all users in this growing area.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Intersection - Southdale - Colonel Talbot (Roundabout)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1336	\$0	\$0	\$497	\$0	\$497	\$3,687
Amendment	N/A	N/A	N/A	\$10,437	\$10,437	-\$3,687
Amended Budget	\$0	\$0	\$497	\$10,437	\$10,934	\$0

Capital Budget Expenditure Amendment Table (\$ Thousands)

Colonel Talbot Road - 300 Meters South of Southdale To James Street	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1329	\$700	\$0	\$849	\$11,129	\$12,678	\$0
Amendment	N/A	N/A	N/A	-\$10,428	-\$10,428	\$10,428
Amended Budget	\$700	\$0	\$849	\$701	\$2,250	\$10,428

Capital Budget Source of Financing Amendment Table – Cumulative Net Impact (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$187	\$187	-\$1,030
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	N/A	-\$196	-\$196	-\$5,711
Amended Budget	\$0	\$0	\$0	\$11,138	\$13,184	\$10,428

Subject to rounding.

Notes:

- 1) The non-tax supported source of financing is drawdown and debenture serviced through the City Services Roads Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Additional Details

Links to previous related reports:

- [Civic Works Committee, March 29, 2022, Appointment of Consulting Engineer - Detailed Design Southdale Road West and Colonel Talbot Road Roundabout](#)
- [Civic Works Committee, May 10, 2022, Colonel Talbot Road Two-lane Upgrades from Southdale Road to James Street– Appointment of Consulting Engineer](#)

Part E: TS1746 - Dingman Drive - Highway 401 Bridge to Wellington Road

What is the reason for the budget amendment?

The current economic environment is significantly impacting capital construction pricing based upon increased inflation, supply chain challenges for certain construction materials and labour shortages. The project budgets that were established several years ago no longer reflect the current economic situation and require amendment. Factors such as increased fuel prices, labour shortages, increased labour wages for retention, supply and demand issues for specific construction materials and limited competition among suppliers for some materials are increasing risk levels for construction pricing of infrastructure projects. This increased risk is being reflected in construction pricing particularly for large, complex infrastructure projects that require full construction seasons to undertake and involve multiple disciplines, subcontractors, and suppliers.

In addition to the current economic situation, as this project progressed from the planning and environmental assessment phases to detailed engineering and tender preparation, better information was available to inform the construction estimate and the total required budget for this project. This includes additional costs for property, environmental mitigation, drainage, relocation of utility infrastructure, complete street components and underground conditions that were unknown at the time of the Environmental Assessment. Many of these items required investigation during the detailed engineering phase and the completion of activities such as soil sampling and testing, environmental field reviews and reporting, subsurface utility investigation and test pits and field surveys to be completed before an accurate estimate of the required construction quantities and costs could be finalized.

At this stage in the project, it is estimated that approximately 40% of the requested budget amendment amount of \$2,300,000 is associated with the current economic factors, 10% is associated with additional property related costs and 50% is attributed to addressing requirements and findings that arose during the detailed engineering phase including utility relocations.

This project directly supports an adjacent large-scale development and will ensure that the necessary permanent transportation infrastructure is implemented to support this growth in an efficient and timely manner. There are expectations from stakeholders that this project will move forward, and that this corridor will be reconstructed to provide a corridor that provides efficient mobility to address growth and meets the City's complete streets design standards.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Dingman Drive - Highway 401 Bridge to Wellington Road	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1746	\$2,325	\$8,641	\$0	\$0	\$10,966	\$0
Amendment	N/A	N/A	N/A	\$2,300	\$2,300	\$0
Amended Budget	\$2,325	\$8,641	\$0	\$2,300	\$13,266	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	-\$186	-\$186	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	N/A	-\$2,114	-\$2,114	\$0
Amended Budget	\$2,325	\$8,641	\$0	\$2,300	\$13,266	\$0

Subject to rounding.

Notes:

- 1) The non-tax supported source of financing is debenture serviced through the City Services Roads Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Additional Details

Link to previous related report:

- [Civic Works Committee, March 02, 2021, Dingman Drive Improvements - Appointment of Consulting Engineer - Detailed Design & Tendering](#)

Part F: TS1358 - Pack Road - Colonel Talbot to Bostwick Road
 TS1455 – Bostwick Road – Pack Road to Wharncliffe Road

What is the reason for the budget amendment?

This amendment is required to revise the project timing for the upgrade to Pack Road to address the deteriorating condition of the roadway and in consideration of the significant growth and traffic in the area. The construction of this project is currently programmed for 2032. In order to address the deteriorating pavement and roadway conditions it is recommended that the project timing be advanced to provide engineering design budget in 2023. Budget from project TS1455 Bostwick Road Improvements from Pack to Wharncliffe (currently scheduled for construction in 2026) has been identified as an offset as consulting funds are available as early as 2023. Revised timing for TS1455 will be reviewed as part of the ongoing Mobility Master Plan and upcoming Development Charges Background Study. It should be noted that budgets were shifted to align with construction in 2032.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Pack Road - Colonel Talbot to Bostwick Road	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – TS1358	\$0	\$0	\$0	\$0	\$0	\$180
Amendment	N/A	N/A	N/A	\$1,000	\$1,000	\$0
Amended Budget	\$0	\$0	\$0	\$1,000	\$1,000	\$180

Capital Budget Expenditure Amendment Table (\$ Thousands)

Bostwick Road - Pack Road to Wharncliffe Road	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – TS1455	\$0	\$0	\$0	\$669	\$669	\$20,356
Amendment	N/A	N/A	N/A	-\$669	-\$669	-\$19,687
Amended Budget	\$0	\$0	\$0	\$0	\$0	\$669

Capital Budget Source of Financing Amendment Table – Cumulative Net Impact (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$0	\$0	-\$43
Debenture	N/A	N/A	N/A	-\$71	-\$71	\$1,303
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	N/A	-\$260	-\$260	\$18,427
Amended Budget	\$0	\$0	\$0	\$1,000	\$1,000	\$849

Subject to rounding.

Notes:

- 1) The non-tax supported source of financing is drawdown and debenture serviced through the City Services Roads Reserve Fund.
- 2) The 2030 capital gross expenditure is TS1358: \$389,422, TS1455: \$5,629,500.
- 3) The 2031 capital gross expenditure is TS1455: \$1,196,733.
- 4) The 2032 capital gross expenditure is TS1358: \$12,481,557, TS1455: \$13,529,816.
- 5) It should be noted that budgets were shifted to align with construction in 2032.

Part G: TS1359 – Windermere Road – Western Road to Richmond Street

What is the reason for the budget amendment?

This project is currently scheduled for construction in 2024; however, in order to provide sufficient time to acquire property, finalize the design and relocate utilities as well as to provide coordination with future planned work on Western University’s campus, a construction schedule of 2026 at the earliest is now being recommended. This timing will also facilitate a review of funding and prioritization as part of the Mobility Master Plan and upcoming Development Charges Background Study. This budget amendment identifies pre-engineering costs to progress the project and prepare a more refined estimate for the future construction year.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Windermere Road – Western Road to Richmond Street	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – TS1359	\$437	\$120	\$236	\$0	\$793	\$3,160
Amendment	N/A	N/A	N/A	\$1,500	\$1,500	\$0
Amended Budget	\$437	\$120	\$236	\$1,500	\$2,293	\$3,160

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	-\$160	-\$160	\$0
Reserve Fund ¹	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported ²	N/A	N/A	N/A	-\$1,340	-\$1,340	\$0
Amended Budget	\$437	\$120	\$236	\$1,500	\$2,293	\$3,160

Subject to rounding.

Notes:

- 1) The non-tax supported source of financing is the City Service Roads Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Additional Details

Previous related reports:

- [Civic Works Committee, September 13, 2022, Windermere Road Improvements Environmental Study Report](#)

Part H: TS1332 - Intersection - Oxford - Gideon (Roundabout)

What is the reason for the budget amendment?

This project is currently scheduled for construction in 2024. This budget amendment identifies pre-engineering costs required to progress the project and prepare a more refined construction cost estimate. The recently completed environmental assessment and preliminary design study does provide a good basis for determining the necessary scope of the project, property requirements and relocation of utility infrastructure to accommodate the intersection improvements.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Intersection - Oxford - Gideon (Roundabout)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – TS1332	\$0	\$178	\$122	\$275	\$575	\$3,251
Amendment	N/A	N/A	N/A	\$400	\$400	\$0
Amended Budget	\$0	\$178	\$122	\$675	\$975	\$3,251

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	-\$50	-\$50	\$0
Reserve Fund ¹	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported ²	N/A	N/A	N/A	-\$350	-\$350	\$0
Amended Budget	\$0	\$178	\$122	\$675	\$975	\$3,251

Subject to rounding.

Notes:

- 1) The non-tax supported source of financing is the City Services Roads Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Additional Details

Previous related reports: [Civic Works Committee, January 19, 2021, Oxford Street West, and Gideon Drive Intersection Improvements Environmental Assessment Study Appointment of Consulting Engineer](#)

Part I: TS1496 – Sunningdale Road Widening - 150 Meters West of Richmond To 150 Meters East of Richmond

TS1496-3 - Sunningdale Road - Wonderland Road 150 Meters West of Richmond Street (GMIS Project)

TS1670 - Intersection - Sarnia/Philip Aziz - Western Road

What is the reason for the budget amendment?

These capital projects are scheduled for construction in 2023 but are being deferred to 2024 and 2025 respectively as additional time is required to acquire property, finalize designs, etc. In addition, deferring these capital budgets will help offset the significant impacts of parts A through H of this business case on the City Services Roads Reserve Fund.

TS1496 - Sunningdale Road Widening - 150 Meters West Of Richmond To 150 Meters East Of Richmond moved from 2023 to 2025

TS1496-3 - Sunningdale Road - Wonderland Road 150 Meters West Of Richmond Street (GMIS) moved from 2023 to 2025

TS1670 - Intersection - Sarnia/Philip Aziz - Western Road moved from 2023 to 2024.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Sunningdale Road Widening - 150 Meters West of Richmond to 150 Meters East of Richmond	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1496	\$0	\$0	\$153	\$5,367	\$5,520	\$0
Amendment	N/A	N/A	N/A	-\$5,367	-\$5,367	\$5,367
Amended Budget	\$0	\$0	\$153	\$0	\$153	\$5,367

Capital Budget Expenditure Amendment Table (\$ Thousands)

Sunningdale Road - Wonderland Road 150 Meters West of Richmond Street (GMIS)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1496-3	\$2,028	\$300	\$671	\$25,426	\$28,425	\$0
Amendment	N/A	N/A	N/A	-\$25,426	-\$25,426	\$25,426
Amended Budget	\$2,028	\$300	\$671	\$0	\$2,999	\$25,426

Capital Budget Expenditure Amendment Table (\$ Thousands)

Intersection - Sarnia/Philip Aziz - Western Road	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1670	\$0	\$0	\$928	\$7,484	\$8,412	\$0
Amendment	N/A	N/A	N/A	-\$7,484	-\$7,484	\$7,484
Amended Budget	\$0	\$0	\$928	\$0	\$928	\$7,484

Capital Budget Source of Financing Amendment Table – Cumulative Net Impact (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$428	\$428	\$0
Debenture	N/A	N/A	N/A	\$2,553	\$2,553	-\$2,981
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	N/A	\$35,296	\$35,296	-\$35,296
Amended Budget	\$2,028	\$300	\$1,752	\$0	\$4,080	\$38,277

Subject to rounding.

Notes:

- 1) The non-tax supported source of financing is debenture serviced through the City Services Roads Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	All projects in this amendment have been reviewed as part of the Climate Emergency Action Plan screening tool and will provide a sustainable approach to provide complete street elements to promote active transportation and transit use while reducing congestion and improving safety. The new infrastructure will be designed to provide improved resiliency over the existing conditions. These projects have involved significant stakeholder consultation however there has been no targeted consultation with respect to this budget amendment.
Socio-economic Equity	These projects will include the installation of sidewalks and cycling facilities in accordance with City design standards and the London Plan and will be implemented to meet the latest accessibility requirements.
Governance	<p>Council approval of the consultant assignments and/or construction awards will be requested where necessary in accordance with City’s Procurement of Goods and Services Policy. Progress of these projects will also be monitored through the capital budget monitoring process.</p> <p>These amendments will require support from other Transportation program areas which will be managed through deferral of other work to future years. Not proceeding with these projects will result in continuing traffic operations and safety concerns at specific locations within the project limits.</p>

2023 Annual Budget Update

Budget Amendment # P-9

Strategic Area of Focus: Building a Sustainable City

Strategy: Establish and revitalize community housing through a Regeneration Plan

Budget Amendment Type: Cost Driver

Description: Project Timeline and Funding Realignment - Regeneration of Public Housing

Service(s): London and Middlesex Community Housing

Lead: Paul Chisholm, Chief Executive Officer, London and Middlesex Community Housing

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$0	\$0.00 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Project Timeline and Funding Realignment - Regeneration of Public Housing

What is the reason for the budget amendment?

Regeneration of LMCH existing sites was approved as a part of Business Case #21 during the 2020 to 2023 Multi-Year Budget, noting that the strategy first originated in the 2016 to 2019 Multi-Year Budget with funding starting to be accumulated. The intent of the business case is to redevelop selected LMCH sites with the goal to increase the diversity of housing stock, complete a proof of concept for mixed housing development, and foster a strengthened sustainable community.

LMCH has selected the Southdale Community as the first townhouse community for regeneration. LMCH is submitting a Zoning By-Law Amendment that sets out a three-phase plan to redevelop the site. Amending the timing of funds received through 2020 to 2023 Business Case #21 will allow LMCH to complete Phase 1 of this project while simultaneously allowing development of a fulsome Regeneration Strategy for the entire LMCH Portfolio.

Operating Budget (\$ Thousands)

Corporate Debt Servicing Costs	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$37,560	\$35,945	\$33,559	\$33,244	\$140,308	\$201,194
Amendment	N/A	N/A	N/A	N/A	N/A	\$11,973
Amended Net Budget (Tax Levy)	\$37,560	\$35,945	\$33,559	\$33,244	\$140,308	\$213,167

Subject to rounding.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Regenerating Public Housing Plan	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – PH2640	\$1,250	\$1,500	\$2,750	\$3,500	\$9,000	\$21,000
Amendment	N/A	N/A	N/A	\$21,000	\$21,000	-\$21,000
Amended Budget	\$0	\$0	\$0	\$24,500	\$30,000	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	-\$21,000	-\$21,000	\$21,000
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported	N/A	N/A	N/A	\$0	\$0	\$0
Amended Budget	\$0	\$0	\$0	\$24,500	\$30,000	\$0

Subject to rounding.

Notes:

- 1) The 2030 capital gross expenditure is \$0.
- 2) The 2031 capital gross expenditure is \$0.
- 3) The 2032 capital gross expenditure is \$0.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	<p>Regeneration of the LMCH Community Housing Portfolio provides an opportunity to increase the density of existing community housing developments, leveraging existing infrastructure – roads, transit, water, sewer, etc. - as well as community assets, reducing the environmental impact as compared to growth in new communities.</p> <p>Residential Properties account for 40% of Canada’s energy consumption. Reimagine Southdale has a sustainability target for reduction of energy and greenhouse gas emissions. Reimagine will meet or exceed 2015 NECB – National Energy Code for Buildings by 35%. In addition to reduced energy costs the units are better able to adapt to climate and environmental changes we experience.</p>
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	<p>Redevelopment will implement waste reduction and diversion initiatives as outlined in the City of London’s “Climate Emergency Action Plan”.</p> <p>As outlined in the Reimagine Southdale Zoning By-law Amendment pre-application with City of London Planning, no ecological planning issues or associated studies are required related to this property.</p> <p>New developments will seek to lower greenhouse gas emissions and use renewable energy sources where possible in the built environment.</p>
<p>Socio-economic Equity</p>	<p>The redevelopment of the LMCH community housing portfolio will support the regeneration of the community to better meet the needs of current and future tenants:</p> <ul style="list-style-type: none"> • Increase the number of community housing units available in London – the first phase of the project will replace 18 townhomes with 53 new units. • Transition LMCH to providing mixed income communities – serving more families at different points within the housing continuum by adding new affordable market rental units. • Increase the accessibility of housing to better meet the needs of tenants by providing family housing that is barrier free. • Increase housing density in established communities with established infrastructure, services and supports. • Add additional amenity spaces, community rooms, landscaping features that supports the development of vibrant communities. • Responds to the needs and issues identified by tenants and the wider community through the development process.
<p>Governance</p>	<p>The LMCH Community Housing Portfolio is, on average, over 50 years old. The funding realignment received through this business case will allow LMCH to further the organization’s portfolio regeneration strategy, continue preliminary work to prepare other redevelopment projects and more importantly provides funds to support the first redevelopment project for LMCH.</p> <p>LMCH is working closely with Canada Mortgage and Housing Corporation to identify opportunities to access grant funding to support regeneration and ensure that all plans align with the National Housing Strategy. Starting the regeneration process through projects that improve the quality of housing for current tenants and improves the housing options for the broader community supports both local and national priorities.</p> <p>The provision of Community Housing through the Local Housing Corporation provides an opportunity to ensure public ownership is maintained, long term affordability is secured, investment in redevelopment is aligned with existing plans and supports meeting the needs of current and future tenants.</p>

	The gradual renewal of the LMCH portfolio will ensure that the current affordable housing stock remains a community asset for future generations
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Additional Details

The funding approved through the original business case was provided to support LMCH moving forward with regeneration across the portfolio. The focus of the first redevelopment project was directed toward the family townhome sites. The Board of Directors selected the Southdale Community as the redevelopment site and staff have been working closely with the tenants, Civic Administration, and our architect to finalize a site plan and develop a phased approach to this redevelopment. The Zoning Bylaw Amendment (ZBA) application was submitted in August 2022. The ZBA lays out a plan that includes the replacement of 68 existing townhouse units on the site with three 6-storey, 18-meter apartment buildings. The proposal provides a total of 265 units, including 98 existing townhouses and 167 apartment units ranging in type from 1 to 4-bedroom to be built over three phases.

The change to the funding flow for Business Case # 21 will enable Phase 1 of the project to build 53 new units of housing, new community space and invest in improvements across the rest of the site. Grant contributions from Canada Mortgage and Housing Corporation will be sought to reduce the net investment needed for the overall project, subject to acceptable terms and conditions and with the concurrence of Civic Administration.

If adjustment to the timing of the budget for this project is not approved, phase one of the project will be significantly delayed as the currently available budget is insufficient to initiate a procurement. LMCH would then have to revisit financing options for the project, including looking for assistance from other levels of government, e.g. via CMHC.

2023 Annual Budget Update

Budget Amendment # P-10

Strategic Area of Focus:	Building a Sustainable City; Leading in Public Service
Strategy:	Increase pedestrian amenities on streets Improve residents' satisfaction with winter road and sidewalk maintenance
Budget Amendment Type:	Cost Driver
Description:	Part A: Reduce previously approved additional investment in local improvement for streetlights. Part B: Reduce annual walkway maintenance. Part C: Reduce previously approved additional investment in Winter Maintenance.
Service(s):	Traffic Control and Streetlights, Roadway Maintenance and Winter Maintenance
Lead:	Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	-\$936	-\$936
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	-\$936	-\$936
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	-0.13%	-0.03% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	-\$4.37	-\$1.09 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Part A: Reduce Previously Approved Additional Investment in Local Improvement for Streetlights

What is the reason for the budget amendment?

This budget amendment is to reduce previously approved multi-year 2020 to 2023 additional investment (Business Case #23) in Streetlight Local Improvement. With the additional investment, the City had planned to add new streetlights where they did not exist by cost sharing between the City (60%) and the owners (40%). Due to lack of interest in this program, the City will eliminate the cost sharing and continue to add new streetlights using existing streetlight maintenance capital funds.

Operating Budget Table (\$ Thousands)

Electricity Costs	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$0	\$5	\$11	\$16	\$32	\$201
Amendment	N/A	N/A	N/A	-\$16	-\$16	-\$201
Amended Net Budget (Tax Levy)	\$0	\$5	\$11	\$0	\$16	\$0

Subject to rounding.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Streetlight Local Improvement	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – TS5124	\$200	\$200	\$200	\$200	\$800	\$1,200
Amendment	N/A	N/A	N/A	-\$200	-\$200	-\$1,200
Amended Budget	\$200	\$200	\$200	\$0	\$600	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$120	\$120	\$720
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$80	\$80	\$480
Non-Tax Supported ²	N/A	N/A	N/A	\$0	\$0	\$0
Amended Budget	\$200	\$200	\$200	\$0	\$600	\$0

Subject to rounding.

Part B: Reduce Annual Walkway Maintenance

What is the reason for the budget amendment?

This budget amendment is to reduce walkway maintenance carried out by Roads Maintenance teams during summers from annually to every second year. Walkway maintenance was reduced when COVID-19 response reductions and prioritization of services were necessary. This is being presented as an opportunity for budgetary savings by implementing this frequency change on a permanent basis.

Operating Budget Table (\$ Thousands)

Transportation Operations – Summer Maintenance	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$5,162	\$5,359	\$5,241	\$5,318	\$21,080	\$31,908
Amendment	N/A	N/A	N/A	-\$60	-\$60	-\$360
Amended Net Budget (Tax Levy)	\$5,162	\$5,359	\$5,241	\$5,258	\$21,020	\$31,548

Subject to rounding.

Part C: Reduce Previously Approved Additional Investment in Winter Maintenance

What is the reason for the budget amendment?

This budget amendment is to reduce previously approved multi-year 2020 to 2023 additional investment (Business Case #25) in Winter Maintenance program support for sidewalks as a budget reduction opportunity. Current Provincial Minimum Maintenance Standards (MMS) for sidewalks is 8 centimetres of snow accumulation before equipment is deployed and it allows 48 hours after the snowfall ends to clear the sidewalk. With the additional investment, a 5 centimetre threshold was achieved in the 2021/2022 winter but with this budget amendment, the City of London will revert to the Minimum Maintenance Standard 8-centimetre snow accumulation on sidewalks criteria. The value of the budget amendment was based on an estimated additional six sidewalk snowplow mobilizations annually.

A corresponding reduction of \$140,000 in the coordinated bus stop clearing service provided by the City to London Transit Commission would also be realized.

Operating Budget Table (\$ Thousands)

Winter Maintenance	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$15,622	\$16,614	\$16,983	\$17,110	\$66,329	\$102,660
Amendment	N/A	N/A	N/A	-\$740	-\$740	-\$4,440
Amended Net Budget (Tax Levy)	\$15,622	\$16,614	\$16,983	\$16,370	\$65,589	\$98,220

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	Reducing walkway maintenance frequency and winter maintenance for sidewalks will lessen machine operating hours which will lessen carbon emissions.
Socio-economic Equity	<p>With the current Streetlight Local Improvement Program, owners must cost share (40%). The positive impact is that with this budget amendment cost sharing will be eliminated and will be absorbed by the City's life-cycle renewal account.</p> <p>Eliminating the Streetlight Local Improvement Program will allow for the installation of streetlights in unlit areas based on a scoring system similar to the Walkway Lighting Program. This will allow for the installation of lights where they are needed the most.</p> <p>Reduced provision of sidewalk snow plowing back to the Provincial Standard for deployment at 8cm from 5cm will make it more challenging for sidewalk users that use assistive devices during days with snowfall. The impact could delay those users from accessing services outside of their home.</p>

Governance	The risk of approving this amendment is a possible increase in complaints from citizens about walkways and sidewalks not being maintained regularly. The City will not be able to provide a higher standard of winter maintenance on sidewalks and as a result will not provide this contribution toward higher levels of satisfaction in the annual resident satisfaction survey.
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Additional Details

Links to previous related reports:

- [Civic Works Committee, February 20, 2019, Streetlight Local Improvement Process](#)
- [Strategic Priorities and Policy Committee, February 06, 2020, Business Cases for Additional Investments](#)
- [Civic Works Committee, July 23, 2019, Winter Maintenance Program Support](#)

2023 Annual Budget Update

Budget Amendment # P-11

Strategic Area of Focus: Building a Sustainable City

Strategy: Revitalize London's downtown and urban areas.

Budget Amendment Type: Cost Driver

Description: Reduction in horticulture aesthetics.

Service(s): Parks and Horticulture

Lead: Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	-\$200	-\$200
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	-\$200	-\$200
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	-0.03%	-0.01% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	-\$0.93	-\$0.23 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Reduction in Horticulture Aesthetics

What is the reason for the budget amendment?

A reduction to horticulture displays has been identified as a potential budget savings opportunity. Examples of the reduction/elimination will include the Hanging Basket Program, winter horticultural displays in the core and several other horticultural beds that will be grassed in. Low priority sites will be chosen, and sites are yet to be determined.

Operating Budget Table (\$ Thousands)

Major Parks & Horticulture	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$1,985	\$2,023	\$2,059	\$2,093	\$8,160	\$12,558
Amendment	N/A	N/A	N/A	-\$200	-\$200	-\$1,200
Amended Net Budget (Tax Levy)	\$1,985	\$2,023	\$2,059	\$1,893	\$7,960	\$11,358

Subject to rounding.

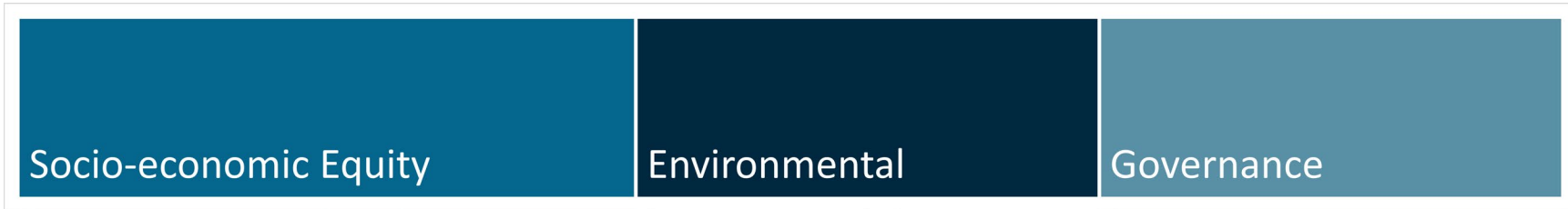
Staffing Impact Table

Staffing Summary - Changes	2020	2021	2022	2023
# of Full-Time Employees Impacted	N/A	N/A	N/A	0.0
# of Full-Time Equivalents Impacted	N/A	N/A	N/A	-1.54
Cost of Full-Time Equivalents (\$ Thousands)	N/A	N/A	N/A	-\$66

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	Machine operating hours reduction (two pick-up trucks for 3 hours per day for 20 weeks, 300 hours total) will lessen carbon emissions.
Socio-economic Equity	This will affect the look and feel of London and create an environment that is less attractive for residents and visitors alike. There will be fewer summer students hired in order to achieve the budget reduction.
Governance	Some areas that will be no longer featuring horticultural displays were part of an original road or subdivision design. Further landscape design standards for future subdivision, roadway and building features will need to be altered to allow for affordable maintenance practices.

2023 Annual Budget Update

Budget Amendment # P-12

Strategic Area of Focus:	Strengthening Our Community
Strategy:	Remove barriers to access recreation, sport, leisure, and leadership programs and services.
Budget Amendment Type:	Cost Driver
Description:	Reduction to the number of free Neighbourhood Playground Program Locations
Service(s):	Community Recreation & Leisure Programs
Lead:	Cheryl Smith, Deputy City Manager, Neighbourhood and Community-Wide Services

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	-\$250	-\$250
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	-\$250	-\$250
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	-0.04%	-0.01% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	-\$1.17	-\$0.29 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Reduction to the number of free Neighbourhood Playground Program Locations

What is the reason for the budget amendment?

The Neighbourhood Playground Program is a free summer program for children aged six to 12 that runs Monday to Thursday for seven weeks during the summer. Registration is free but limited. This amendment would see the program reduced from 22 full day sites to 10 full day sites.

The Neighbourhood Playground Program generates no revenue and therefore is identified as a potential budget saving service reduction opportunity.

Operating Budget Table (\$ Thousands)

Neighbourhood Playground Program	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$425	\$425	\$425	\$425	\$1,700	\$2,550
Amendment	N/A	N/A	N/A	-\$250	-\$250	-\$1,500
Amended Net Budget (Tax Levy)	\$425	\$425	\$425	\$175	\$1,450	\$1,050

Subject to rounding.

Staffing Impact Table

Staffing Summary - Changes	2020	2021	2022	2023
# of Full-Time Employees Impacted	N/A	N/A	N/A	0.0
# of Full-Time Equivalents Impacted	N/A	N/A	N/A	-6.5
Cost of Full-Time Equivalents (\$ Thousands)	N/A	N/A	N/A	-\$250

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	There is minimal anticipated environmental impact as a result of this reduction.
Socio-economic Equity	<p>London families have come to depend upon the free Neighbourhood Playground Program in their neighbourhood. The program provides relief for parents while children are participating in passive and active recreation programming with friends, under the supervision of experienced play leaders.</p> <p>Fewer free Neighbourhood Playground Program sites will result in increased barriers to participation, such as families having to incur additional costs in order to travel outside of their neighbourhood to access these programs, and decreased overall opportunities for participation. In total, 3,360 program spaces would be lost. The reduction will disproportionately affect families who are unable to afford higher-cost summer recreation programs.</p> <p>As a result of this reduction, approximately 38 fewer summer positions will be filled.</p>
Governance	The community has not been advised of this possible reduction. A significant communication plan would need to be developed and implemented, in order to inform the public of the program reduction. This reduction could be seen to have a negative impact on the City's reputation in providing services to lower income Londoners.

Additional Details

The Neighbourhood Playground Program contributes to a number of recommendations under the 2019 Parks and Recreation Master Plan

- #2 Expand the variety, frequency, location, and promotion of drop-in programs, through the use of community centres, neighbourhood locations and parks.
- #8 As the City grows, continue to expand low-cost and no-cost program initiatives.
- #39 In neighbourhoods planned for residential intensification, evaluate existing parks, green spaces, and other municipal properties for their potential to accommodate multi-functional spaces and expanded social and recreational opportunities to serve diverse populations.

2020 – 2023 Business Plan – Service Highlights

- To expand number of program sites to serve new neighbourhoods through the provision of low-cost or no-cost drop-in opportunities (4 new free summer Playground programs).

2023 Annual Budget Update

Budget Amendment # P-13

Strategic Area of Focus:	Leading in Public Service
Strategy:	Continue to maintain, build, and enhance a high-performing and secure computing environment. Deliver and maintain innovative digital solutions to increase efficiency and effectiveness across the Corporation.
Budget Amendment Type:	Cost Driver
Description:	Eliminate printing of Council Agenda materials and reduce associated Print Room costs.
Service(s):	Information Technology Services (ITS)
Lead:	Jacqueline Davison, Deputy City Manager, Enterprise Supports

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	-\$8	-\$8
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	-\$8	-\$8
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	-\$0.04	-\$0.01 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Eliminate Printing of Council Agenda Materials and Reduce Associated Print Room Costs

What is the reason for the budget amendment?

By ceasing the printing of Council Agenda materials and relying on distribution of electronic copies of such materials, the City can immediately avoid \$8 thousand in recurring annual paper and print impression reductions. Furthermore, reductions of associated print technology and Print Room labour will deliver annual savings of \$4 thousand and \$55 thousand respectively, following the conclusion of the current Print Room contract in November 2024.

Overall, these measures will save the City \$56 thousand in total paper and print impression reductions (approximately \$8 thousand per year from 2023 to 2029) as well as \$295.5 thousand in printer technology and Print Room labour costs (\$59.1 thousand annually in years 2025 to 2029). The total potential savings for the City is \$351.5 thousand over the period 2023 to 2029.

Operating Budget Table (\$ Thousands)

Eliminate Printing of Council Agenda Materials and Reduce Associated Print Room Costs	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$505	\$514	\$521	\$535	\$2,075	\$3,210
Amendment	N/A	N/A	N/A	-\$8	-\$8	-\$343
Amended Net Budget (Tax Levy)	\$505	\$514	\$521	\$527	\$2,067	\$2,867

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:

Environmental	Socio-economic Equity	Governance
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Environmental	Reducing paper copies of Council Agenda materials will eliminate approximately 30% of the current Print Room paper consumption, resulting in a reduction to recycling and waste. This reduction amounts to saving roughly 400 thousand pages of paper, reducing use of toner and electricity.
Socio-economic Equity	The elimination of printed agendas is not anticipated to impact socio-economic equity. While electronic materials are published for wide accessibility, public internet access and printing is also available via the London Public Library and other community services.
Governance	Electronic materials have been used successfully by Council, Administration, and 3 rd party stakeholders for several years. No change in governance or increased risk is expected through this reduction in paper copies.

Additional Details

By eliminating the printing of Council Agenda materials, ITS anticipates no reduction in stakeholder service levels, while delivering financial and environmental benefits to the City.

2023 Annual Budget Update

Budget Amendment # P-14

Strategic Area of Focus: Strengthening Our Community
 Strategy: Invest in Community Building Projects
 Budget Amendment Type: Cost Driver
 Description: Humane Society of London & Middlesex (HSLM) New Comprehensive Animal Campus
 Service(s): Neighbourhood Strategic Initiatives and Funding
 Lead: Steve Ryall, Executive Director, Humane Society London & Middlesex
 Cheryl Smith, Deputy City Manager, Neighbourhood and Community-Wide Services

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$0	\$0.00 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Humane Society of London & Middlesex (HSLM) New Comprehensive Animal Campus

What is the reason for the budget amendment?

The London Community Grants Program Community Review Panel referred one 2022 Capital project request in excess of the available budget to the budget process as per the London Community Grants Policy. Humane Society London & Middlesex (HSLM) submitted an application in the amount of \$3 million to support the development of a new comprehensive Animal Campus. This Budget Amendment Business Case has been completed by HSLM for Council's consideration:

This amendment is a \$3 million investment in the future of animal welfare and community-based humane education and advocacy in London. The investment will be a component of a broader \$21 million project to support the construction of a new Animal Campus located on 11 acres at 1414 Dundas Street that will offer the most comprehensive animal and community support and services in the city, region and country.

A sustainability plan has been developed for this project. Diversified funding, including donations, debt and social financing, and use of internal reserves, will be leveraged to complete the project. HSLM is a fiscally responsible organization, as demonstrated by its annual audited financial statements and adherence to all CRA requirements to maintain charitable status. Through prudent financial management that includes an annual operating budget reviewed and approved by a Board of Directors and professional financial resources in-house by a CPA, supported by professional fundraisers on staff, the organization has the controls and oversight to manage the campaign responsibly and successfully.

Funding Source	Details	Amount (in millions)
HSLM	Reserve, asset management (secured)	\$11.000
	Sale of existing building/property (pending)	\$1.100
Public sector: government grants - Federal, Provincial & Municipal	Green & Inclusive Community Buildings fund (Federal) next round of applications (planned)	\$1.000
	Ontario Trillium Foundation (pending)	\$0.150
	City of London (pending)	\$3.000
Private sector: individuals, corporations, foundations, associations & groups	Individual donations (confirmed)	\$0.351
	Individual donations (planned/pending)	\$3.000
	Corporate donations (confirmed)	\$0.424

	Corporate donations (planned/pending)	\$0.500
	Foundations, associations (planned/pending)	\$0.475
Total Campaign Revenue		\$21.000 million

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 leverage funding from other levels of government and private donors. Specifically, the City of London's contribution would be utilized for the construction of publicly accessed areas (Community Hall, Education Centre) within the new animal campus.

By investing in the new HSLM Animal Campus, it is anticipated that:

- Shelter capacity will grow 128%, alleviating the current stress and waiting lists for surrender.
- Projected 46.5% increase in employment in year one alone.
- Volunteer opportunities for youth and senior populations will grow 40%.
- Annually 2,000 pets from the general public will be served through accessing low-cost veterinarian care, keeping more animals in their current homes and out of shelters and rescues.
- 1,000 preschool and elementary students will receive humane education & experiential learning opportunities annually through kids camps and classroom visits at the shelter campus. Projected growth in year two.
- 30 post secondary students will receive hands-on training and career development per semester.
- Reduce the number of animals on a surrender waitlist from 50 (plus 40 in process) to 0.

Operating Budget Table (\$ Thousands)

HSLM Animal Campus	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$0	\$0	\$0	\$0	\$0	\$0
Expenditure Amendment	N/A	N/A	N/A	\$3,000	\$3,000	\$0
Revenue Amendment ¹	N/A	N/A	N/A	-\$3,000	-\$3,000	\$0
Amended Net Budget (Tax Levy)	\$0	\$0	\$0	\$0	\$0	\$0

Subject to rounding.

Notes:

- 1) The funding for this one-time grant will be sourced by a drawdown from the Community Investment Reserve Fund. The forecasted uncommitted balance (\$1.3 million) in this reserve fund is currently insufficient to fund the entire initiative. As part of the 2022 Mid-Year Operating Monitoring Report, Strategic Priorities and Policy Committee, September 20, 2022, approximately \$2.0 million dollars is forecasted to be contributed per the Surplus / Deficit Policy to this reserve fund in 2022. Should this forecasted contribution not materialize the Community Investment Reserve Fund will first be drawn down to a zero balance and the remaining variance will be funded by the Operating Budget Contingency Reserve.

Environmental, Socio-economic Equity and Governance (ESG) Considerations



Environmental	<p>HSLM has consulted with subject matter experts on environmental efficiencies and building sustainability. HSLM supports London’s Climate Emergency Action Plan (CEAP) with this project in the following ways:</p> <ol style="list-style-type: none"> 1. Reduce Community Greenhouse Gas Emissions: <p>The new building has been designed with high efficiency systems including:</p> <ul style="list-style-type: none"> • CO2 sensors in rooftop HVAC units serve high occupant loads to optimize and balance the outdoor air intake and human occupancy, hence minimize energy consumption.
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- Enthalpy recovery ventilation systems designed for exchanging both heat and moisture from the exhaust and supply air streams, to limit the total HVAC load.
- Two stage heating and cooling for packaged rooftop units over 3 tons of cooling therefore using less energy consumption.
- Air side economizer where a constant supply of outdoor air is provided and compressors can be turned off to save energy.
- High efficiency (90%+) in-floor heating boiler.
- All HVAC units are ASHRAE 90.1 compliant.
- Site has the capacity for future electric car charging stations.
- LED lighting
- Occupancy-sensing lighting controls as well as timeclock/photocell sensor for exterior lighting control to optimize on lighting usage within the building.

2. Improved Resilience to Climate Change Impacts:

The new building has an emergency generator on site for resilience against weather. As well a storm water management system will be installed to limit the amount of rainwater influx into municipal systems. In comparison, the current shelter with the age of the building and related systems has significant inefficiencies throughout, such as HVAC, windows, doors, insulation, roof, etc. The new building will dramatically improve efficiencies in all of these areas.

Structural design and planning will further contribute to energy efficiency and community resilience. Specific examples include:

- White/reflective roofing to minimize heat island effect
- Design elements such as Clear storey, skylights, windows, Canopies and overhangs to optimize natural lighting/shading and balancing of heat gain.
- East/West and southerly exposure
- Recyclable, commonly available, and locally sourced building materials
- High thermal/energy performance and current/modern building envelope practices
- Bicycle parking
- Centralized location and on common/accessible and quality public transit corridors
- Development located on existing heritage/historic site
- Directly adjacent to significant natural heritage area/feature (Treed Allee)
- Site Landscape/plant/tree selections made based on native/locally available species
- Site designed to respect and minimize impact to naturalized wetland feature
- Significant recreational and amenity greenspaces throughout site development

	<ul style="list-style-type: none"> • High performance windows, thermally broken doors/glazing • Usage of low VOC emitting building materials
Socio-economic Equity	<p>HSLM provides shelter, education and advocacy for animals and the community.</p> <ul style="list-style-type: none"> • The current facility has been located at the same address for over 120 years and is no longer able to meet the demand for our services or standards of safety and accessibility. • The new Animal Campus will be located at 1414 Dundas St and will offer 37,000 sq ft of space including multi-use community spaces, a low-cost veterinarian clinic open to the public, an Education Centre, increased outdoor space and many opportunities for London residents to interact with animals and develop skills, find purpose, make connections and benefit from the powerful human-animal bond. • Partnership with Fanshawe College to deliver education services at multiple levels. The new HSLM Animal Campus will facilitate opportunities for hands-on training and experiential learning for students in many disciplines, resulting in an increased number of trained graduates and meeting significant employment needs in the city. • The on-site Companion Animal Hospital (veterinary clinic) will enable HSLM to significantly enhance its work in providing care to animals at HSLM, as well as servicing the growing London community. Enhanced capacity will support the needs of pet owners in our rapidly growing city: 52% of homes in Ontario have a pet (2020). • By offering low-cost vet care on site at our Companion Animal Hospital to the public, delivered in part by student practitioners, we are supporting London residents who will have greater opportunities to keep their pets at home and driving community economic impact. • The facility square footage will increase dramatically from 9,890 to 37,000, therefore significantly increasing functionality, safety, sustainability, community participation rates and usable hours. There is a need for new approaches to education, with experiential learning at the core. Our new Animal Campus will offer new spaces intentionally designed to train students and provide hands-on learning opportunities with our shelter pets for children and youth, such as our 2,000 square foot Education Centre. • HSLM provide no-judgement surrenders to those who can no longer provide care for their animals and will introduce low-cost programs to support the population who experience socio-economic barriers with assistance to keeping their pets in their homes. We will source sustainable partnerships to support humane education programming for children and youth who face financial barriers to equitable participation. • Adherence to the Accessibility for Ontarians with Disability Act, Part IV.1 Design of Public Spaces Standards, including ramps, parking, slopes, paths, barrier free door operators, proper door widths, door latch clearances, barrier free turning circles, accessible washrooms, and railings.

	<ul style="list-style-type: none"> HSLM is constructing dedicated, comfortable and welcoming staff and volunteer zones to better meet health and safety standards and support and retain our team members. New employee and volunteer opportunities will be introduced to meet increased demand and growth.
Governance	<p>Financial support from the City of London will be essential for HSLM to leverage funding from other levels of government and the community as a whole. Delays in funding at all levels will result in higher risks associated with remaining in our current location longer, including safety.</p> <p>A risk management plan is in place for any significant risk factors. As well there is an ongoing risk mitigation plan with relevant stakeholders involved. In particular, HSLM has identified the following four risk factors that could have low to high impact on the project:</p> <p>Community Program risk factors:</p> <ol style="list-style-type: none"> 1. Program participation/revenue levels Statistics from the recent COVID pandemic indicate that pet ownership in Ontario increased over the past two years by 37%. Further increases are projected for pet ownership due to the reality that our growing City brings more companion animals to our area. Low interest in animal-related programs with HSLM would have a low to moderate impact on the project and therefore was considered in the risk assessment. To mitigate this risk, projected attendance numbers for community programs were set conservatively at 50%. 2. Projected animal adoption & animal service levels HSLM will work with and for the community to address needs for animal surrenders, animal hoarding cases and provide improved animal health services. Risks associated with these factors include: capacity to shelter 400 animals. To mitigate this low to moderate risk, HSLM will have flexible, adaptable rooms to take on more animals as needed, or create space for programming to occur as needed. <p>Cost and Funding risk factors:</p> <ol style="list-style-type: none"> 3. Cost over-runs Cost estimates have been generated at the work-package level based on current industry benchmarks and thus are well defined. Further, cost estimates have been reviewed by an external experienced [EW3] Construction Committee. The procurement process and budget to actual tracking is also well defined. The procurement process is on a competitive basis and the budget tracking is kept up-to-date in order to mitigate the risk of cost-overruns. <p>The significant land purchase and building design costs have been completed and therefore mitigate the cost risk of unknown design elements.</p>

	<p>4. Success of capital campaign</p> <p>As owners of the land, HSLM is not beholden to restrictions due to extended timelines based on fundraising. HSLM are managing the construction progress in a fiscally conservative manner with Board and Committee oversight to ensure HSLM have confirmed or guaranteed funds prior to commencing construction stages and milestones.</p> <p>The highest risk of capital campaign relates to the project costs to be raised through traditional fundraising (19% of total project budget). With a low to moderate probability to this risk, the Fund Development team have in progress identified funders to mitigate this unknown risk. Most of those funders either have been approached with success or have expressed significant interest in the project. Considering the interest from the number of contacts and funders in the project since the announcement of the new location, the HSLM is confident in reaching the \$4.125 million general/public fundraising goal.</p> <p>To mitigate risks associated with fundraising delays we have confirmed finance options with our banking partner to implement bridge funding for up to \$4 million.</p>
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Additional Details

Established as an organizational priority, the viability and impact of a new facility is documented and supported by the Board of Directors. Significant market research was undertaken to develop and design a comprehensive Animal Campus that meets the needs of animals and the community. A detailed capital campaign plan has been developed to support this project, outlining strategies for raising required funds. Key leadership staff have been recruited and placed to oversee the project and fundraising is underway with the support of campaign volunteers and business leaders.

HSLM anticipates the opening of our new Animal Campus in 2024. The total cost of the project is summarized as follows:

Components	Amount
Land	\$1,541,475
Building	\$440,140
Construction	\$18,212,426
Engineering	\$600,000
Total	\$20,794,041

The current construction status and forecasted metrics are as following:

- Rezoning of land approved by City of London.
- Facility design 95% complete (architectural, civil, mechanical, and electrical).
- General Contractor selected through a competitive RFP process.
- Site plan approval by City of London.
- Land purchase completed.
- Detailed construction timeline by General Contractor completed.
- Educational partnership with Fanshawe College at our Animal Campus.
- License agreement to use education space completed.
- In progress: land clearing, existing structure removal.

Additional Metrics	Current State	Forecast Year 1	Forecast Year 2
<i>By investing in the new HSLM facility, Londoners will have access to services and supports that promote well-being, health, and safety</i>			
Square footage	9,890	37,000	37,000
Hours open to the public (weekly)	34	98	98
Support for pet owners (# of homes with a pet in London) *growth estimated	116,220	130,000*	145,000*
<i>The new HSLM Animal Campus will ensure Londoners are engaged and have a sense of belonging</i>			
Employment opportunities	31	45	55
Volunteer positions	200	280	300
Post-secondary partnership - number of students receiving hands-on training	0	120	200
<i>HSLM Animal Campus will provide exceptional service delivery to Londoners</i>			
Cost per animal in shelter (\$ average)	860	700	600
Shelter capacity	175	400	400
Outdoor space dedicated to animal exercise and socialization (acres)	0.68	6	6

HSLM operates with various partners and stakeholders in the community, including:

Education Partnerships:

Fanshawe College - Students will receive experiential learning in multiple areas including animal health, administration offices, operations management, adoptions office, etc., and opportunities for in-class training in our Education Centre.

TVDSB, LDCSB and Preschools- partnerships in development to secure school groups, field trips and virtual humane education offerings.

Community & Business Partnerships:

HSLM is increasing its profile in the business community with partnerships with the London Chamber of Commerce and all media houses. HSLM is building relationships with community partners such as Canadian Mental Health Association (CMHA) and Community Living London to develop programming that supports their clients. We are fostering and growing existing partnerships, such as:

- London & Middlesex Community Housing - HSLM is the contracted animal welfare provider for LMCH.
- London Animal Care Centre - HSLM accepts lost pets and transfers those animals to LACC.
- Ontario Animal Welfare Network (OAWN) - HSLM is an active and founding partner of the Ontario Animal Welfare Network (OAWN).
- Provincial Animal Welfare Services (PAWS) - HSLM provides temporary housing for animals whose owners are being investigated for abuse and neglect of their pets

Anchor Institution Partnerships:

London Police Services - HSLM responds to hoarding and emergency situations that involve animals throughout the year.

London Fire Services - HSLM responds to emergency situations in support of LFS.

Middlesex London Health Unit - HSLM works closely with MLHU on clinics and initiatives directed at animal welfare.

Western University/Ivey School of Business - Developing integrated partnership opportunities.

Fanshawe College - integrated education services partnership including business, marketing, philanthropy, building/design internships and experiential learning opportunities for students.

HSLM has the following enhanced and expanded revenue streams to support long-term financial sustainability:

Enhanced Revenue Streams:

Adoptions revenue - improved efficiencies in animal health will enable improved turnaround times for adoptions.

Expanded Revenue Streams:

School group programming (fee per class/group)

Education partnership agreement

Education Centre (event/space rental fees)

Day Camp programming revenue (fee per participant)

Kennel Club (fee per pet)

Gift shop (pet gifts revenue)

Grooming Centre (pay per use)

Animal Services (contract agreements)

2023 Annual Budget Update

Budget Amendment # P-15

Strategic Area of Focus:	Strengthening our Community
Strategy:	Strengthen engagement opportunities for all Londoners to participate in their neighbourhoods.
Budget Amendment Type:	New Council Direction
Description:	Expand the Neighbourhood Decision Making Program by doubling the tax levy funding available
Service(s):	Neighbourhood Strategic Initiatives and Funding
Lead:	Cheryl Smith, Deputy City Manager, Neighbourhood and Community-Wide Services

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$250	\$250
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$250	\$250
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.04%	0.01% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$1.17	\$0.29 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Expand the Neighbourhood Decision Making Program by doubling the tax levy funding available

What is the reason for the budget amendment?

During the August 2, 2022 Council Meeting, Council passed a motion that staff BE DIRECTED to include in the 2023 annual budget deliberations, a business case for expanding the Neighbourhood Decision Making Program, by doubling the tax levy funding.

The Neighbourhood Decision Making (NDM) Program engages thousands of residents annually through idea submission and voting. Since 2017, less than 20% of resident ideas that made it to the voting stage were implemented. Additional investment in NDM of \$250 thousand, bringing the annual funding to \$500 thousand, would increase the funding available to neighbourhoods, the number of projects considered feasible, and potentially the number of projects implemented.

Operating Budget Table (\$ Thousands)

Neighbourhood Decision Making Program	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$250	\$250	\$250	\$250	\$1,000	\$1,500
Amendment	N/A	N/A	N/A	\$250	\$250	\$1,500
Amended Net Budget (Tax Levy)	\$250	\$250	\$250	\$500	\$1,250	\$3,000

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	Further investment in the NDM Program may support the City’s net-zero greenhouse gas emission targets as well as resilience to climate-change impacts, by creating more opportunities for environmental projects to be funded. Of the total projects implemented to date, 37% have aligned to actions in London’s Climate Emergency Action Plan, including ideas such as pollinator plantings, a green house, bat boxes, tree planting, bike repair stations, beehives, solar panels, fruit trees and waste reduction workshops. Resources to support residents formulating ideas have been aligned with London’s Climate Emergency Action Plan.
Socio-economic Equity	Participation in the NDM Program is open to all Londoners of all ages. The Program provides enhanced supports for neighbourhoods that may be experiencing barriers to participation, including targeted outreach to newcomers, cultural groups, youth, and isolated residents. Staff representing several languages and cultures support engagement with historically underrepresented populations. In addition, resources to support residents to formulate ideas include accessibility considerations. Further investment in this program would impact equity-deserving groups by providing more funding to neighbourhoods and communities and continuing support to groups that experience barriers to participation.
Governance	An increase in annual funding will result in more funding available to neighbourhoods, an increase in the number of projects considered feasible, and potentially an increase in the number of projects implemented. Pending approval of the 2023 Annual Budget Update, a detailed communications plan will be developed to inform residents and other community stakeholders of funding changes. A value for money audit is currently in process and an equity analysis will be completed, with any recommendations for further enhancements presented to Council for consideration in 2023.

Additional Details

The NDM Program provides an opportunity for community members to directly decide how to spend a portion of the municipal budget in their neighbourhoods on an annual basis. The purpose of the program is to engage, empower, and connect residents by bringing

neighbours together around community-driven projects that enhance and strengthen neighbourhoods. The program provides opportunities for community members to participate in their neighbourhoods, learn about how municipal government works, and to make decisions that directly impact their lives. It provides opportunities for the City to learn about what people want in their neighbourhoods, work collaboratively across service areas to assess and implement ideas, and to support community members through a defined and consistent process.

The NDM Program, on average, engages close to 5000 residents annually. Program inclusion is a key focus area for implementation. Social Risk Index and participation data are used to target engagement efforts to reduce barriers to participation. Results from the 2022 program show that there was a good distribution of ideas submitted across the five geographical areas, wards, and planning districts. In addition, three out of the five areas with the highest Social Risk Index score had above average numbers for ideas submitted.

The following table compares the number of feasible ideas by geographical area to the number of projects implemented between 2017 and 2022.

	2017	2018	2019	2020	2021	2022
Feasible Ideas in Central London	55	40	33	Cancelled	24	22
Feasible Ideas in Northeast London	22	33	19	Cancelled	12	13
Feasible Ideas in Northwest London	23	21	19	Cancelled	12	12
Feasible Ideas in Southeast London	14	16	15	Cancelled	16	11
Feasible Ideas in Southwest London	35	33	18	Cancelled	22	20
Total Feasible Ideas	149	143	104	Cancelled	86	78
Total Ideas Implemented	20	17	14	Cancelled	18	24

Note: All projects for 2020 were cancelled due to the Pandemic.

Program enhancements based on the results from the value for money audit and equity analysis, will be presented to Council for consideration in 2023, as noted above. Pending Council's approval of this Budget Amendment, these recommendations will also include options to expand community impact by increasing the number of projects considered feasible as well as the number of projects implemented.

For more information about the program and past winning projects, visit [Neighbourhood Decision Making program page on the City of London's website.](#)

The August 2, 2022 Council Meeting Minutes can be found [here](#).

2023 Annual Budget Update

Budget Amendment # P-16

Strategic Area of Focus:	Building a Sustainable City; Growing our Economy
Strategy:	Revitalize London's Downtown and urban areas; Support entrepreneurs, start-up, and scale-up companies
Budget Amendment Type:	New Council Direction
Description:	Funding for the Hamilton Road BIA
Service(s):	Community Improvement/BIA
Lead:	Scott Mathers, Deputy City Manager, Planning and Economic Development; 2023 President, Hamilton Road BIA

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$100	\$100
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$100	\$100
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.01%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$0.47	\$0.12 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Funding for the Hamilton Road BIA

What is the reason for the budget amendment?

The Hamilton Road BIA 2022 Budget request, dated October 22, 2021, was deferred by Municipal Council to be brought forward as a full business case as part of the 2023 budget process. This budget amendment business case has been completed by the Hamilton Road BIA for Council's consideration.

City council originally invested in Hamilton Road, with its dozens of shuttered businesses, because they realized this area was an important gateway and an often first impression for those visiting the city. They recognized the social and reputational risks associated with allowing an area to deteriorate and that the community would not be able to pull itself up by its own bootstraps.

The vision of the Hamilton Road Community Improvement plan approved by council states that: ***By 2027, the Hamilton Road Area will be an attractive destination in London filled with heritage, diverse local businesses, and multicultural restaurants, as well as a safe and welcoming neighbourhood.*** The Hamilton Road BIA is the main driver of all elements of this vision but is under-resourced to achieve the goal in the remaining term of council. Presently it receives a yearly levy of \$70 thousand paid by the owners of business property within the business improvement area based on a target 5% maximum tax increase to its struggling business community. The amount is enough to cover the BIA's office, administration, grant assistance, participation in citywide programs, supervision of summer students and social media; however, it is not enough to cover all costs from beautification, communications, marketing, programs, events, security patrols, member support and services. These additional projects and services are crucial to the continued revitalization of this important, yet still visibly distressed, gateway to London. The success of the Old East BIA on its annual City grants of \$140 thousand is the precedent for matching the Hamilton Road levy with another \$100 thousand from the city tax levy. For further urban regeneration to take place, the investment promised in the CIP is required and the Hamilton Road BIA is uniquely positioned to guide those funds into concrete outcomes.

Operating Budget Table (\$ Thousands)

Hamilton Road BIA	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$0	\$0	\$0	\$0	\$0	\$0
Amendment	N/A	N/A	N/A	\$100	\$100	\$600
Amended Net Budget (Tax Levy)	\$0	\$0	\$0	\$100	\$100	\$600

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	<p>The amendment is not intended to address net-zero greenhouse gas emission targets directly but the BIA takes a lead in assisting local businesses with grants and programs that may.</p> <p>The amendment is also not intended to increase resilience to extreme weather events or any other climate change-related impacts directly but the BIA takes a lead in assisting local businesses with grants and programs that may.</p> <p>Relevant stakeholders have not been consulted as there are no anticipated climate related impacts associated with this amendment.</p>
Socio-economic Equity	<p>This BIA was a recommendation of the Hamilton Road Community Improvement Plan which intended to help deliver urban revitalization to a community among which there are many working class homeowners, tenants on social assistance, a high proportion of individuals identifying as indigenous, and many business owners who are from visible minorities. Residents have typically completed lower levels of education than is the average for London. More directly, it positively affects a small business community that cannot generate levies like those in the downtown or other BIAs with big box stores as members.</p> <p>The BIA's funding deficiency is a barrier to successfully addressing local urban revitalization and economic development.</p> <p>We anticipate approval of this amendment will have a high impact as the BIA will move from a position of survival to full service, including the much-needed beautification projects that are typically associated with a BIA and the security patrols that deter crime and vandalism.</p> <p>There are no anticipated negative impacts resulting from the amendment.</p> <p>Stakeholder consultation on the amendment included BIA members, the Crouch Neighbourhood Resource Centre, the Hamilton Road Community Association and the Indigenous Fellowship of Hamilton Road. Consultation will be ongoing in terms of the projects that it will fund.</p>

<p>Governance</p>	<p>There are no significant risks anticipated from approving this amendment.</p> <p>The risk of not proceeding with this amendment is the inability to operate as an optimally functioning BIA, failure to meet the objectives of the community improvement plan, the demotivation and inability to recruit volunteer board members, loss of confidence in the BIA, loss of the BIA, loss of the perception that this is an up and coming place to invest where property values are expected to grow, an exodus of business ventures, increased vacant storefronts and shuttered properties, and a greater reliance on other local organizations to achieve the vision of the CIP (perhaps less effectively).</p> <p>If the amendment is not approved, mitigations could involve a reduced mandate focusing only on social media, summer students, city programs and grants for members as well as a further reduction in the size of the board or the appointment of city staff members to be directors as has been done with other boards.</p> <p>The progress, results and impacts of this amendment will be monitored and communicated through the financial performance of the Hamilton Road BIA, when it is audited and included in the consolidated financial returns of the City. The impacts of the amendment will be reported at the BIA's annual general meeting.</p>
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Additional Details

Amendment Drivers

The Hamilton Road Gateway, a first impression to many visitors, is in the midst of a much-needed urban regeneration. Aside from city infrastructure improvements, the main driver of that regeneration is the Hamilton Road BIA. Its original goal was to see how much could be accomplished with a 5% levy on the struggling business community. Though results have exceeded those of the previous business association these are not sustainable under current conditions. Without an executive director the demands on volunteer board members have caused significant attrition and a need to reduce the minimum number of directors to meet quorum. Staff retention has been difficult and in offering a competitive wage for an executive director there are insufficient funds remaining for beautification and other projects which have been financed thus far by one-time grants from the city (\$50k) and the business association (\$30k and \$5k). Expansion is not considered a viable option so, like the Old East Village BIA, an annual grant from the city is considered the only way to sustain the necessary funding.

Timing of Budget Amendment Implementation

There have been discussions about alternative ways to support smaller BIAs since the 2014-2018 term of council. With one term left to fulfill the vision of the Hamilton Road CIP and the BIA playing such a major part in achieving that vision, the timing for implementation of the amendment is coming somewhat late. However, an adequately resourced new board should have every opportunity to succeed. The business case comes at a time when reserves of the old business association have been depleted because of gifts to the BIA.

Strategic Plan

The BIA was established to fulfil the council's strategy to **Revitalize London's Downtown and urban areas** through the urban regeneration of the corridor. This is included in the strategic focuses of *STRENGTHENING our Community; BUILDING a Sustainable City; and GROWING our Economy*. This area is the inexpensive home to many new businesses and the BIA acts as a hub for business-to-business interaction, the additional strategy to **Support entrepreneurs, start-up, and scale-up companies** is also fulfilled.

The amendment seeks to further the following outcomes:

- London's neighbourhoods have a strong character and sense of place.
- London creates a supportive environment where entrepreneurs, businesses, and talent can thrive.

Community Improvement Plan

The vision of the Hamilton Road Community Improvement Plan approved by council states that:

By 2027, the Hamilton Road Area will be an attractive destination in London filled with heritage, diverse local businesses and multicultural restaurants, as well as a safe and welcoming neighbourhood.

Two of the "Do 1st" recommendations in the Hamilton Road Community Improvement Plan were:

3.5 Establish a Business Improvement Area (BIA)

3.6 Seek mentoring opportunities with other BIAs

The BIA plays an important part in advancing all elements in the vision by conducting beautification projects; supporting entrepreneurs; marketing the area as a destination for "*Authentic, Affordable, Ethnic Food*" (visit www.EatHamiltonRoad.com); incorporating heritage into public art and communications; and responding to safety concerns.

However, there is only one term left for the achievement of the vision and there are still sections of the corridor which are not attractive, not filled with businesses, not welcoming, and not conducive to feelings of safety because of the instability of businesses in the area. One important objective that the city committed to in the CIP was: ***Support the existing and new community organizations that nurture the well-being of all Hamilton Road area residents.*** Council directed staff to assist with this business case because of the BIA's need for financial support.

BIA Mission

Except for its ability to adequately "invest", the following mission of the BIA is being satisfactorily fulfilled and substantial community benefits will be achieved if scaled up in the manner proposed by the amendment.

The Hamilton Road Business Improvement Area (BIA) will develop, advocate, promote and invest in our unique community in areas of Economic Development, Beautification and Marketing and Promotion while simultaneously honouring the rich history and diversity of the Hamilton Road area.

Community/BIA Benefit

Vast improvements have been made along the corridor and the percentage of vacant storefronts has been reduced by half since the BIA first approached the city for a facade grant program in 2018. Though some attrition has happened, over 30 new businesses have opened since the inception of the BIA. The heart of the area, surrounding Crouch Library, looks wonderful with five new exteriors and no vacant properties. Numerous other businesses, with or without grants, have improved their facades. The Corridor is a mix of residential and commercial properties so the work of the BIA benefits a broader community than is typical.

The Hamilton Road BIA also provides resources, staff time, office space and media channels for the city's (sometimes unanticipated) initiatives such as LCRN, Patio Improvement Grant Programs, Shop2WinLondon, as well as working with the police and other BIAs on city-wide initiatives. It has continued with the active community role played by the previous Business Association including the annual scholarship program for B Davidson Secondary School.

The BIA has been able to leverage its staff resources substantially through Canada Summer Jobs funding which typically provides for two or three interns per year. Several businesses have added or improved their existing patios while others have been assisted with their online presence. The tree trunk tour has expanded with new installations and more are planned. The BIA has contributed both to individual businesses as well as the business to business ecosystem within the area.

Despite many wins, a plateau has been reached because of limited BIA resources. Along the corridor to the west there are still the boarded-up businesses of absentee landlords being used as unlicensed rentals where neighbours complain that illegal activities take place. Safety is a concern for many nearby residents and COVID created a large setback for the area. The proposed new budget with amended funding will allow the BIA to fulfill all its expected functions and bring further investment into the area, displacing undesirable uses for those commercial properties.

Previous reports

Request to create a BIA from the Hamilton Road Business Association

[Planning and Environment Committee - March 06, 2017 \(escribemeetings.com\)](https://pub-london.escribemeetings.com/Meeting.aspx?Id=282ac0cc-12c4-4756-8258-e0cfd05f6f5e&lang=English)

Authorization to Initiate Creation of the Hamilton Road BIA

<https://pub-london.escribemeetings.com/Meeting.aspx?Id=282ac0cc-12c4-4756-8258-e0cfd05f6f5e&lang=English>

Designation of the BIA under section 204 of the Municipal Act, 2001

[Planning and Environment Committee - September 24, 2018 \(escribemeetings.com\)](#)

Grant for \$50,000 to assist with BIA activities

[Strategic Priorities and Policy Committee - January 24, 2019 \(escribemeetings.com\)](#)

Façade Improvement and Upgrade to Building Code Forgivable Loan Programs

[Council - May 05, 2020 \(escribemeetings.com\)](#)

BIA 2022 Funding requests \$100k annual (deferred) + \$30 one time operating contingency fund (Granted)

[Corporate Services Committee - January 10, 2022 \(escribemeetings.com\)](#)

Response to 2022 funding Request

[Strategic Priorities and Policy Committee - November 09, 2021 \(escribemeetings.com\)](#)

Additional Documents

Strategic Plan for the City of London 2019-2023

<https://london.ca/sites/default/files/2020-09/2019%20Strategic%20Plan.pdf>

Hamilton Road Community Improvement Plan

https://london.ca/sites/default/files/2021-04/Hamilton%20Road%20Area%20Community%20Improvement%20Plan%20-%202018_AODA.pdf

2023 Annual Budget Update

Budget Amendment # P-17

Strategic Area of Focus:	Building A Sustainable City
Strategy:	Prioritize investment in assets to implement the Asset Management Plan
Budget Amendment Type:	Cost Driver
Description:	Reduction to Previously Approved “For Consideration” Business Case: City of London Infrastructure Gap
Service(s):	Capital Financing
Lead:	Anna Lisa Barbon, Deputy City Manager, Finance Supports

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	-\$950	-\$950
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	-\$950	-\$950
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	-0.14%	-0.03% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	-\$4.43	-\$1.11 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Reduction to Previously Approved “For Consideration” Business Case: City of London Infrastructure Gap

What is the reason for the budget amendment?

Civic administration has brought forward this budget amendment for consideration to reduce the tax levy pressures in 2023. If approved, the amendment would reduce the Council approved 2020 to 2023 Additional Investment Business Case 4B - City of London Infrastructure Gap. This additional investment provides for increased tax supported contributions to the Infrastructure Gap Reserve Fund to mitigate growth in the City’s approximate \$666.9 million 10-year infrastructure gap. In March of 2020, Council approved an investment in annual increments of \$750 thousand starting in 2020, thus, by 2023 the contribution to the Infrastructure Gap Reserve Fund would have increased to \$3 million per year. As part of the 2021 Annual Budget Update, Council approved a permanent decrease to this investment of \$500 thousand starting in 2021. As part of the 2022 Annual Budget Update, Council approved an additional permanent decrease of \$600 thousand starting in 2022; thus, in 2023 this Business Case now represents an investment of \$1.9 million per year to the Infrastructure Gap Reserve Fund. If this 2023 budget amendment is approved by Council, a further permanent decrease of \$950 thousand starting in 2023 will result in this investment representing a \$950 thousand tax supported contribution per year to the Infrastructure Gap Reserve Fund – effectively this amendment results in halving the \$1.9 million contribution currently planned for 2023, noting that these amendments reduce the total approved Additional Investment Business Case 4B by \$3.65 million over the 2020-2023 Multi-Year Budget period (if this amendment is approved).

Operating Budget Table (\$ Thousands)

Infrastructure Gap Reserve Fund Contribution (Part B)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$750	\$1,000	\$1,150	\$1,900	\$4,800	\$11,400
Amendment	N/A	N/A	N/A	-\$950	-\$950	-\$5,700
Amended Net Budget (Tax Levy)	\$750	\$1,000	\$1,150	\$950	\$3,850	\$5,700

Subject to rounding.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	<p>It is difficult to quantify the environmental impact of the infrastructure gap growing. Timely rehabilitation and repair are considered cost efficient and consistent with less greenhouse gas emissions to complete this work, thus, this amendment may not help the City reach its 2050 emissions target. As adequate funding to keep infrastructure in good repair is consistent with maintaining infrastructure resiliency this amendment may not increase the City’s asset resiliency or address climate change-related impacts.</p>
Socio-economic Equity	<p>Tax-supported City infrastructure (such as Facilities, Roads, Recreation, etc.) are assets that are used by City of London residents (or used to provide services for them). This suggests that many equity-deserving and vulnerable groups are potentially impacted. The amendment will not address any specific barriers; reducing funding to mitigate the infrastructure gap (instead of using this funding to increase the amount of repair or rehabilitation work) may unintentionally continue systemic barriers and decrease the quality-of-life for residents who use this infrastructure on a regular basis.</p> <p>Given this reduction reduces the tax levy increase, however, there are economic benefits to the taxpayers of the City.</p>
Governance	<p>The proposed reduction in funding is expected to negatively impact the City’s infrastructure gap (i.e. increase the gap). This is inconsistent with the Corporate Asset Management Plan recommendation to mitigate the infrastructure gap growth. However, as outlined in the “Additional Details” section of the amendment, the City has various financial and non-financial mitigation strategies that may either fully or partially address this negative impact.</p> <p>Corporate Asset Management annually reports the results to Council advising if they are meeting or not meeting level of service targets and, since the 2019 Corporate Asset Management Plan, has provided annual reviews to Council on the City’s infrastructure gap. Any funding changes to the Capital Infrastructure Gap Reserve Fund will be reflected in the future Corporate Asset Management Plan updates or Corporate Asset Management Plan reviews.</p>

Additional Details

The risks associated with approving this amendment include, but are not limited to, further growth of the infrastructure gap, intergenerational inequities in lifecycle renewal capital financing, inability to maintain current levels of service, and the need for increased future additional investment requests to mitigate growth in the infrastructure gap. However, risks such as these may be partially offset by existing mitigation strategies such as one-time contributions to the Infrastructure Gap Reserve Fund in accordance with the Council approved Surplus/Deficit and Assessment Growth policies, and asset management condition assessments which inform capital projects. Furthermore, when assessing the reasonability of this budget amendment, Civic Administration confirms that these savings can be achieved without impacting the 2023 to 2032 lifecycle renewal capital plan presented in the 2023 Annual Budget Update for Council's approval.

To provide further context to this budget amendment, the following summarizes the current infrastructure gap and recent trends. The 2023 to 2032 capital plan includes a lifecycle renewal program totalling \$1.07 billion. This budget supports directly owned infrastructure with a replacement value of approximately \$22.1 billion. The budget, along with applicable uncommitted reserve fund balances, establishes the reference point to assess if a funding gap exists and assists in determining current levels of service, monitoring the gap, and informing the management of City assets. Based on the results of the Corporate Asset Management Plan 2021 Review, despite the planned lifecycle renewal expenditures and available reserve fund balances, a 10-year infrastructure gap of \$666.9 million exists and this gap represents 3.0% of the replacement value. This infrastructure gap and the gap's percentage of replacement value has increased since the 2019 Corporate Asset Management Plan when the gap equaled \$568.8 million and the gap percentage of replacement value was 2.8%. Thus, to achieve future infrastructure sustainability, the City will require either an increase in investment in infrastructure renewal, or a reduction in the number of services or levels of services the City provides. Approval of this budget amendment would marginally increase the infrastructure gap as a percentage of replacement value, from 3.04% to 3.07%.

Lastly, it is important to note that since the inception of Corporate Asset Management in 2010, Council has made significant financial and non-financial investments to mitigate the infrastructure gap. Examples of these investments are:

- Creating the Capital Infrastructure Gap Reserve Fund (as listed in recommendation #8 in the 2014 Corporate Asset Management Plan), with subsequent related business cases and assessment growth cases in the Tax Supported Source of Reserve Fund Contribution Table below;
- Creating a Council-approved Corporate Asset Management Policy which includes principles of a long-term, forward-looking asset management perspective, committing to alignment with City plans and strategies, and which takes into account Council-approved budgets and other financial plans;
- Supporting an infrastructure gap mitigation strategy over 25 years in the 2019 Corporate Asset Management Plan to recognize the long-term approach required to manage the infrastructure gap, it being noted this amendment would be contrary to this strategy;
- Investment in asset management systems totalling \$5.3 million (\$2.8 million in 2012 to 2021 life-to-date financing and \$2.5 million in future 2022 to 2031 financing);
- Establishment of financial policies that ensure prudent financial planning, such as the Capital Budget and Financing Policy and the Reserve/Reserve Fund Policy, as well as financial policies that seek to maximize public funds by allocating a portion of one-time surpluses to address the infrastructure gap, such as the Surplus/Deficit Policy and the Assessment Growth Policy;

- Approval of the CARR Reserve Fund Rationalization report recommendations that aligned the City’s lifecycle renewal reserve fund portfolio with the City’s asset management plan categories, further entrenching the ties between asset management and financial planning;
- 2023 annual reserve fund contributions of \$10.9 million dedicated to mitigating the infrastructure gap (as outlined in the following table), noting that since approval of the CARR Reserve Fund Rationalization Report in 2020, these contributions have been proportionately reallocated to their applicable lifecycle renewal reserve fund, e.g. Transportation Renewal RF, Recreation Renewal RF, etc. Since 2020, assessment growth cases have been approved for new or assumed assets based on recommended reinvestment rates listed in the 2019 CAM Plan. These amounts (approximating an additional \$6.2 million) will mitigate future growth in the infrastructure gap by having a funding source available as lifecycle needs accumulate for these new or assumed assets;

Tax Supported Source of Reserve Fund Contribution in 2023 Table (\$ Thousands)

Tax Supported Contribution Source available to mitigate the existing infrastructure gap ¹	2023
2016 Strategic Investment Case #7	\$7,000
2017 Assessment Growth Case #19 (permanent)	\$500
2018 Assessment Growth Case #23 (permanent)	\$500
2019 Assessment Growth Case #28 (permanent)	\$1,000
2020 to 2023 Additional Investment Case #4A (permanent)	\$1,000
2020 to 2023 Additional Investment Case #4B (permanent) ²	\$950
Total	\$10,950

Notes:

1. With approval of the Capital Asset Renewal and Replacement (CARR) Reserve Fund Rationalization Report, September 2020, on-going contributions to the Capital Infrastructure Gap Reserve Fund (IGRF) were reallocated. The tax supported contributions noted in this table have since been redistributed to service area specific lifecycle renewal reserve funds – leaving only one-time contributions from the Surplus / Deficit and Assessment Growth policies accumulating in the IGRF. Information above is consistent with the original 2020 business case presentation that preceded these changes – approval of this business case will result in proportionate reductions to all applicable CARR reserve fund contributions.
2. Contributions presented for additional investment case #4B assume Council approval of this 2023 budget amendment, which reduces the annual contribution by \$950 thousand.

For additional information regarding the Corporate Asset Management Plan and 2020 to 2023 additional investment business case, refer to the committee meetings and reports as well as other online information sources noted below:

- [July 26, 2021, Report to the Corporate Services Committee – Corporate Asset Management Plan 2021 Review](#)
- [September 8, 2020, Report to the Corporate Services Committee – Corporate Asset Management Plan 2020 Review](#)
- [September 8, 2020, Report to Corporate Services Committee - Capital Asset Renewal and Replacement Reserve Fund Rationalization Report](#)
- [August 26, 2019, Report to Strategic Priorities and Policy Committee – 2019 Corporate Asset Management Plan](#)
- [April 8, 2019, Report to Strategic Priorities and Policy Committee – Corporate Asset Management Policy](#)
- [Get Involved London Website – Business Cases for Additional Investment, see business case 4. City of London Infrastructure Gap on page 47 of document](#)

2023 Annual Budget Update

Budget Amendment # P-18

Strategic Area of Focus: Building a Sustainable City

Strategy: Implement the strategic program of road improvements identified in the Smart Moves Transportation Master Plan.

Budget Amendment Type: New Council Direction

Description: Streetscape Master Plan for Dundas Street – Argyle Business Improvement Area (BIA)

Service(s): Roadway Planning and Design

Lead: Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	N/A	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	N/A	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	N/A	\$0	\$0.00 Average

Subject to rounding.

1) Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).

Streetscape Master Plan for Dundas Street – Argyle BIA

What is the reason for the budget amendment?

As per Council direction, this amendment pertains to developing a Streetscape Master Plan for the Argyle portion of the Dundas Street Corridor, supporting the London Plan vision for Urban Corridors as high quality spaces with neighborhood amenities including parks, civic spaces and attractive outdoor seating areas, accessible to the public. A Community Improvement Plan (CIP) was completed in 2021 by the City’s Planning and Development Services staff with community consultation. The CIP provided several recommendations with the first recommended action being to develop a Streetscape Master Plan.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Streetscape Master Plan for Dundas Street – Argyle BIA	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – TS3229	\$0	\$0	\$0	\$0	\$0	\$0
Amendment	N/A	N/A	N/A	\$150	\$150	\$0
Amended Budget	\$0	\$0	\$0	\$150	\$150	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	N/A	-\$150	-\$150	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Tax Supported	N/A	N/A	N/A	\$0	\$0	\$0
Amended Budget	\$0	\$0	\$0	\$150	\$150	\$0

Subject to rounding.

Notes:

- 1) The reserve fund source of financing is the Community Investment Reserve Fund which has a forecasted uncommitted balance of approximately \$1.3 million.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	This project will be reviewed utilizing the Climate Emergency Action Plan screening tool, and it will provide a sustainable approach to provide complete street and urban design elements to improve the public realm in the boulevard including consideration of transit improvements and improving overall safety. The new infrastructure will be designed to provide improved resiliency over the existing conditions. The project will involve stakeholder consultation through the Master Plan process.
Socio-economic Equity	This project will define possible boulevard enhancements including improved sidewalks in accordance with City design standards, the London Plan, and it will be implemented to meet the latest accessibility requirements.
Governance	This amendment will require support from other transportation program areas which will be managed through deferral of other work to future years. Not proceeding with this project will result in possible delays of infrastructure projects along the Argyle portion of Dundas Street. Progress of this project will also be monitored through the capital budget monitoring process, and the final Streetscape Master Plan will be shared with Council.

Additional Details

Link to previous related Committee report:

- [Planning and Environment Committee – September 20, 2021 – Argyle Core Area Community Improvement Plan](#)

2023 Annual Budget Update

Budget Amendment # W-1

Strategic Area of Focus: Building a Sustainable City

Strategy: Prioritize investment in assets to implement the Asset Management Plan

Budget Amendment Type: Cost Driver

Description: Schedule Change for Springbank #2 Water Reservoir Replacement and Expansion.

Service(s): Water Engineering

Lead: Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Rate Impact Table (\$ Thousands)

Rate Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Rate Impact	N/A	N/A	N/A	\$0	\$0
Annual Incremental Rate Impact	N/A	N/A	N/A	\$0	\$0
Estimated Annual Rate Impact %	N/A	N/A	N/A	0.00%	0.00% Average
Estimated Annual Rate Payer Impact \$	N/A	N/A	N/A	\$0	\$0.00 Average

Subject to rounding.

Schedule Change for Springbank #2 Water Reservoir Replacement and Expansion

What is the reason for the budget amendment?

Civic Administration is recommending a schedule change for Springbank #2 Water Reservoir Replacement and Expansion (Springbank #2) project due to current construction work at neighbouring reservoirs – Springbank Reservoirs #1 and #3; this work is expected to continue into 2023, which will create a construction conflict with Springbank #2. Delaying construction of this project for one year will eliminate the conflict and is not expected to have an operational impact on the drinking water system.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Springbank #2 Water Reservoir Replacement and Expansion	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3617	\$3,500	\$0	\$0	\$37,581	\$37,581	\$0
Amendment	N/A	N/A	N/A	-\$37,581	-\$37,581	\$37,581
Amended Budget	\$0	\$0	\$0	\$0	\$0	\$37,581

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	N/A	\$37,581	\$37,581	-\$37,581
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Rate Supported	N/A	N/A	N/A	\$0	\$0	\$0
Amended Budget	\$3,500	\$0	\$0	\$0	\$0	\$37,581

Subject to rounding.

Notes:

- 1) The reserve fund source of financing is the Water Works Renewal Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	The one-year delay of this project is not expected to have any significant environmental impacts. This delay will not change the scope of work that will ultimately be done to build Springbank Reservoir #2, and as a result, the overall environmental impacts of the project will remain unchanged.
Socio-economic Equity	The one-year delay of this project is anticipated to have positive impacts to Socio-economic Equity. The recommended schedule change will eliminate a construction conflict with the current ongoing work at Springbank Reservoirs #1 and #3, and is not expected to have an operational impact on the drinking water system. It is imperative that the current work related to Springbank Reservoirs #1 and #3 be completed without any conflicts, as the replacement of the protective waterproof membrane on both reservoirs have reached the end of their useful life. The membrane guards against contamination of the potable water supply stored within the buried, reinforced concrete structures. It is important for communities to have clean drinking water, as it allows residents to stay physically healthy and mitigates exposure to countless diseases.
Governance	The risk of not approving this budget amendment can result in construction constraints if projects Springbank Reservoirs #1 and #3 and Springbank #2 were to be constructed at the same time, and will accordingly result in significant project cost increases. These projects require each reservoir to be drained, and not in use while construction work is in progress. Having two of these reservoirs out of service at the same time for an extended period of time presents a risk to the drinking water system as there would be insufficient storage for emergency situations.

Additional Details

The rehabilitation work on Springbank #1 and #3 reservoirs is expected to continue into the 2023 construction season. This work will require one of those two reservoirs to be shut down for the majority of that construction season. In light of this, it is recommended to delay the reconstruction and expansion of the Springbank #2 reservoir until the rehabilitation work on the other reservoirs is complete. Operationally, it is not desirable to have more than one of these important drinking water reservoirs offline at one time. Also, the constrained site would make construction difficult and more expensive if both projects were being done at the same time. Operational staff are confident that it is possible to maintain the existing Springbank #2 reservoir for an additional year.

2023 Annual Budget Update

Budget Amendment # W-2

Strategic Area of Focus:	Building a Sustainable City
Strategy:	Continue annual reviews of growth infrastructure plans to balance development needs with available funding.
Budget Amendment Type:	Cost Driver
Description:	Schedule Changes for Water Growth Projects Part A: Arva Pumping Station Upgrade Part B: Wonderland Road Watermain – Commissioners to Viscount Part C: Medway Watermain (A1) – Arva Pumping Station to Wonderland Road Part D: Wonderland Watermain (A2) – Medway Road to City Limit Part E: Wonderland Watermain (A3) – City Limit to Sunningdale Road Part F: Viscount Road Watermain – Wonderland to Andover (3001/3002)
Service(s):	Water Engineering
Lead:	Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Rate Impact Table (\$ Thousands)

Rate Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Rate Impact	N/A	N/A	N/A	\$0	\$0
Annual Incremental Rate Impact	N/A	N/A	N/A	\$0	\$0
Estimated Annual Rate %	N/A	N/A	N/A	0.00%	0.00% Average
Estimated Annual Rate Payer Impact \$	N/A	N/A	N/A	\$0	\$0.00 Average

Subject to rounding.

Schedule Changes for Water Growth Projects

What is the reason for the budget amendment?

The need, scope, and timing of the projects in Parts A through F of this budget amendment are under review as part of a servicing study that is expected to be completed by the end of 2022 and incorporated in the next Development Charges Background Study. This amendment will allow this study to confirm if these projects and their current scopes are appropriate, in the City's best interests, and that the timing aligns with the projected needs for future residential, institutional, commercial and industrial growth.

Part A: Arva Pumping Station Upgrade

Capital Budget Expenditure Amendment Table (\$ Thousands)

Arva Pumping Station Upgrade	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3654	\$0	\$340	\$0	\$3,133	\$3,473	\$0
Amendment	N/A	N/A	N/A	-\$3,133	-\$3,133	\$3,133
Amended Budget	\$0	\$340	\$0	\$0	\$340	\$3,133

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	N/A	\$1,566	\$1,566	-\$1,566
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Rate Supported ²	N/A	N/A	N/A	\$1,567	\$1,567	-\$1,567
Amended Budget	\$0	\$340	\$0	\$0	\$340	\$3,133

Subject to rounding.

Notes:

- 1) The reserve fund source of financing is the Water Works Renewal Reserve Fund.
- 2) The non-rate supported source of financing is the City Services Water Reserve Fund.
- 3) The 2030 capital gross expenditure is \$0.
- 4) The 2031 capital gross expenditure is \$0.
- 5) The 2032 capital gross expenditure is \$0.

Part B: Wonderland Road Watermain – Commissioners to Viscount

Capital Budget Expenditure Amendment Table (\$ Thousands)

Wonderland Road Watermain – Commissioners to Viscount	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3658	\$108	\$0	\$0	\$2,836	\$2,944	\$0
Amendment	N/A	N/A	N/A	-\$2,836	-\$2,836	\$2,836
Amended Budget	\$108	\$0	\$0	\$0	\$108	\$2,836

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	N/A	\$2,836	\$2,836	-\$2,836
Amended Budget	\$108	\$0	\$0	\$0	\$108	\$2,836

Subject to rounding.

Notes:

- 1) The non-rate supported source of financing is the City Services Water Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Part C: Medway Watermain (A1) – Arva Pumping Station to Wonderland Road

Capital Budget Expenditure Amendment Table (\$ Thousands)

Medway Watermain (A1) – Arva Pumping Station to Wonderland Road	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3692	\$0	\$0	\$0	\$572	\$572	\$5,397
Amendment	N/A	N/A	N/A	-\$572	-\$572	\$572
Amended Budget	\$0	\$0	\$0	\$0	\$0	\$5,969

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	N/A	\$572	\$572	-\$572
Amended Budget	\$0	\$0	\$0	\$0	\$0	\$5,969

Subject to rounding.

Notes:

- 1) The non-rate supported source of financing is the City Services Water Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Part D: Wonderland Watermain (A2) – Medway Road to City Limit

Capital Budget Expenditure Amendment Table (\$ Thousands)

Wonderland Watermain (A2) – Medway Road to City Limit	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3789	\$0	\$0	\$0	\$571	\$571	\$5,391
Amendment	N/A	N/A	N/A	-\$571	-\$571	\$571
Amended Budget	\$0	\$0	\$0	\$0	\$0	\$5,962

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	N/A	\$571	\$571	-\$571
Amended Budget	\$0	\$0	\$0	\$0	\$0	\$5,962

Subject to rounding.

Notes:

- 1) The non-rate supported source of financing is the City Services Water Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Part E: Wonderland Watermain (A3) – City Limit to Sunningdale Road

Capital Budget Expenditure Amendment Table (\$ Thousands)

Wonderland Watermain (A3) – City Limit to Sunningdale Road	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3790	\$0	\$0	\$0	\$502	\$502	\$4,735
Amendment	N/A	N/A	N/A	-\$502	-\$502	\$502
Amended Budget	\$0	\$0	\$0	\$0	\$0	\$5,237

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	N/A	\$502	\$502	-\$502
Amended Budget	\$0	\$0	\$0	\$0	\$0	\$5,237

Subject to rounding.

Notes:

- 1) The non-rate supported source of financing is the City Services Water Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Part F: Viscount Road Watermain – Wonderland to Andover (3001/3002)

Capital Budget Expenditure Amendment Table (\$ Thousands)

Viscount Road Watermain – Wonderland to Andover (3001/3002)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget EW3657	\$0	\$0	\$0	\$461	\$461	\$4,246
Amendment	N/A	N/A	N/A	-\$461	-\$461	\$461
Amended Budget	\$0	\$0	\$0	\$0	\$0	\$4,707

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	N/A	\$461	\$461	-\$461
Amended Budget	\$0	\$0	\$0	\$0	\$0	\$4,707

Subject to rounding.

Notes:

- 1) The non-rate supported source of financing is the City Services Water Reserve Fund.
- 2) The 2030 capital gross expenditure is \$0.
- 3) The 2031 capital gross expenditure is \$0.
- 4) The 2032 capital gross expenditure is \$0.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	The construction of each of these projects will generate greenhouse gas emissions. By ensuring that we are only constructing works that are needed for our system, we are minimizing our greenhouse gas emissions. However, until the servicing study is complete, it is unknown whether there will be a net reduction in emissions.
Socio-economic Equity	There are no socio-economic equity impacts anticipated resulting from this budget amendment. The growth projects outlined in this budget amendment case do not extend water servicing to new areas and were instead intended to reinforce the broader water network to accommodate growth. Changing demand patterns, growth patterns and increased water efficiency means these projects need to be re-evaluated. The delay of these projects will not delay or restrict growth.
Governance	Constructing these works without the information from the servicing study would risk limited funds being spent on projects that may not be needed while reducing the funds available for other projects that are needed. This can be mitigated by not moving forward with the construction even though the budget is available.

Additional Details

These projects were initially justified and scheduled as part of growth studies completed on the City's water system many years ago. Since then, much has changed including water demand patterns, growth patterns and increased water efficiency. A major growth study to assess these changes and the impact on our water system is expected to be complete by the end of 2022. This study will determine the scope and timing of these projects, and if there is a need for them. Constructing these works without the information from that study would risk limited funds being spent on projects that may not be required, while reducing available funding for other projects that are needed. This aligns with the Strategic Plan strategy to "Continue annual reviews of growth infrastructure plans to balance development needs with available funding".

It should be noted that while these are growth projects, they are intended to address impacts of growth to the wider water network, and as such, no developments will be delayed by deferring these projects.

2023 Annual Budget Update

Budget Amendment # WWT-1

Strategic Area of Focus: Building a Sustainable City

Strategy: Implement strategies, policies, and programs to conserve natural areas and features.

Budget Amendment Type: Cost or Revenue Driver

Description: Part A: Mud Creek East Branch Phase 2 Budget Increase
Part B: Schedule Change - Stormwater Management Contingency Facility
Part C: Schedule Change - Dingman #2 Remediation Stormwater Management Flood Control Facility

Service(s): Stormwater Engineering

Lead: Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Rate Impact Table (\$ Thousands)

Rate Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Rate Impact	N/A	N/A	N/A	\$0	\$0
Annual Incremental Rate Impact	N/A	N/A	N/A	\$0	\$0
Estimated Annual Rate Impact %	N/A	N/A	N/A	0.00%	0.00% Average
Estimated Annual Rate Impact \$	N/A	N/A	N/A	\$0	\$0.00 Average

Subject to rounding.

Part A: Mud Creek East Branch Phase 2 Budget Increase

What is the reason for the budget amendment?

Civic Administration is recommending a budget amendment to increase the 2023 capital budget for Mud Creek East Branch Phase 2 (Mud Creek Phase 2) project due to the results of a detailed design conducted in fall 2021. The detailed design estimate for constructing this project is \$11.5 million, as such, an associated budget increase for this amount is required in 2023. This increase can be attributed to various factors, some of which include an Environmental Assessment (EA) completed in 2017 which estimated the total cost of Phases 1 and 2 of this project to be approximately \$10 million; however, Phases 1A and 1B resulted in total construction costs of \$10 million when completed in spring 2021. This cost overrun is a result of the EA underestimating the cost of microtunnelling two large diameter (2400 mm) culverts under the Canadian National Railway (CN Rail) in 2020, as well as an increase in inflationary and supply chain pressures during the COVID-19 pandemic when the channel component was tendered in 2021.

The Mud Creek subwatershed is highly urbanized with a history of frequent flooding along Oxford Street and Proudfoot Lane and adjacent private properties. The areas north of CN Rail embankment provide infill and intensification opportunities, accordingly, Phase 2 of this project will allow over 50 hectares of prime infill and intensification lands to develop and reduce existing flooding within the Oxford Street and Proudfoot Lane areas. The required work includes a significant channel widening and realignment of the Mud Creek channel between the CN Rail, north to Proudfoot Lane and Oxford Street, as well as a new culvert crossing at Oxford Street (east of Proudfoot Lane). The work completed through this phase provides the opportunity for the creation of a high-quality naturalized area and public corridor. As part of this project, a multiuse recreation trail will surround the channel section and provide the ability to view the naturalized channel corridor. This project also provides the opportunity to create a space that supports ecological functions and features, such as terrestrial, aquatic and wetland habitat improvements. It is imperative to note, this critical project should move forward in 2023 and should not be delayed based on commitments made to developers in this area.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Mud Creek East Branch Phase 2	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – ES2681-2	\$4,875	\$0	\$0	\$0	\$4,875	\$0
Amendment	N/A	N/A	N/A	\$11,500	\$11,500	\$0
Amended Budget	\$4,875	\$0	\$0	\$11,500	\$16,375	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	N/A	-\$7,256	-\$7,256	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Rate Supported ²	N/A	N/A	N/A	-\$4,244	-\$4,244	\$0
Amended Budget	\$0	\$0	\$0	\$11,500	\$16,375	\$0

Subject to rounding.

Notes:

- 1) The reserve fund source of financing is the Sewage Works Renewal Reserve Fund.
- 2) The non-rate supported source of financing is the City Services Stormwater Reserve Fund.
- 3) The 2030 capital gross expenditure is \$0.
- 4) The 2031 capital gross expenditure is \$0.
- 5) The 2032 capital gross expenditure is \$0.

Part B: Schedule Change - Stormwater Management Contingency Facility

What is the reason for the budget amendment?

To accommodate the Mud Creek Phase 2 budget increase in 2023, Civic Administration is recommending deferring \$5 million for project ES2701, Stormwater Management Contingency Facility from 2023 to 2024 to partially offset the budget increase and help offset the impact of Part A of this business case on the City Services Stormwater Reserve Fund. The Stormwater Management Contingency Facility project was scheduled for 2023 in the 2021 Development Charges Background Study Update; however, there is currently no development linked to this funding. It is therefore recommended to defer this project until it is assigned to a development area.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Stormwater Management Contingency Facility	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - ES2701	\$0	\$0	\$865	\$5,020	\$5,885	\$0
Amendment	N/A	N/A	N/A	-\$5,020	-\$5,020	\$5,020
Amended Budget	\$0	\$0	\$865	\$0	\$865	\$5,020

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund	N/A	N/A	N/A	\$0	\$0	\$0
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	N/A	\$5,020	\$5,020	-\$5,020
Amended Budget	\$0	\$0	\$865	\$0	\$865	\$5,020

Subject to rounding.

Notes:

- 1) The non-rate supported sources of financing is debenture serviced through the City Services Stormwater Reserve Fund.
- 3) The 2030 capital gross expenditure is \$0.
- 4) The 2031 capital gross expenditure is \$0.
- 5) The 2032 capital gross expenditure is \$0.

Part C: Schedule Change - Dingman #2 Remediation Stormwater Management Flood Control Facility

What is the reason for the budget amendment?

Civic Administration is also recommending deferring \$4.8 million budgeted for project ES3202, Dingman #2 Remediation Stormwater Management Flood Control Facility from 2023 to 2025, as work related to this project is not yet ready to be constructed. Deferring this work will partially offset the impact of Part A of this business case on the City Services Stormwater Reserve Fund and Sewage Works Renewal Reserve Fund.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Dingman #2 Remediation Stormwater Management Flood Control Facility	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – ES3202	\$0	\$0	\$410	\$4,823	\$5,233	\$0
Amendment	N/A	N/A	N/A	-\$4,823	-\$4,823	\$4,823
Amended Budget	\$0	\$0	\$410	\$0	\$410	\$4,823

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	N/A	\$0	\$0	\$0
Debenture	N/A	N/A	N/A	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	N/A	\$4,100	\$4,100	-\$4,100
Other	N/A	N/A	N/A	\$0	\$0	\$0
Non-Rate Supported ²	N/A	N/A	N/A	\$723	\$723	-\$723
Amended Budget	\$0	\$0	\$410	\$0	\$410	\$4,823

Subject to rounding.

Notes:

- 1) The reserve fund source of financing is Sewage Works Renewal Reserve Fund.
- 2) The non-rate supported source of financing is debenture serviced through the City Services Stormwater Reserve Fund.
- 3) The 2030 capital gross expenditure is \$0.
- 4) The 2031 capital gross expenditure is \$0.
- 5) The 2032 capital gross expenditure is \$0.

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this request:



Environmental	<p>Mud Creek Phase 2 Project will reduce flooding risk to existing properties and allow for future development to proceed, therefore, it supports adaptation as part of the Climate Emergency Action Plan to reduce impacts of flooding. An Environmental Assessment and Environmental Impact Study (EIS) were completed in 2017. The EIS includes recommendations for tree planting at a ratio of 3:1 to compensate for tree removals as well as additional habitat features to support wildlife. The long-term benefits of this project will include approximately 1 kilometer of 60-metre-wide natural green corridor that will provide natural carbon sequestration and support increased biodiversity of fauna and wildlife.</p> <p>The deferral of projects ES2701 (Stormwater Management Contingency Facility) and ES3202 (Dingman #2 Remediation Stormwater Management Flood Control Facility) are not expected to have any significant environmental impacts.</p>
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Socio-economic Equity	<p>Mud Creek Phase 2 project will reduce or eliminate flooding across Oxford Street, west of Proudfoot Lane and open up over 50 hectares of residential infill development north of Oxford Street. The proposed pathway along this channel project will promote active mobility within a densely populated area and serve the community with a walkable natural area to support physical and mental health.</p> <p>The deferral of projects ES2701 (Stormwater Management Contingency Facility) and ES3202 (Dingman #2 Remediation Stormwater Management Flood Control Facility) are not expected to have any significant impacts to Socio-economic Equity considerations.</p>
Governance	<p>This budget amendment is required for the City to meet its obligations to landowners who have submitted development applications for infill/intensification subdivisions and site plans over 15 years ago. Phase 1 of Mud Creek was completed in 2021 after over 15 years of study for a cost of \$10 million. This included two storm sewers installed trenchlessly under the CN rail tracks (\$7.5 million), and restoration works of approximately 700 metres of channel (\$2.5 million). The Phase 2 works are necessary to allow development to proceed and realize the benefits of Phase 1 works. This project is finally in a position to be implemented with upcoming approvals from the Upper Thames River Conservation Authority (UTRCA) and Fisheries and Oceans Canada (DFO). Therefore, we recommend this budget amendment be approved for the City to honour its commitments.</p> <p>The deferral of projects ES2701 (Stormwater Management Contingency Facility) and ES3202 (Dingman #2 Remediation Stormwater Management Flood Control Facility) are not expected to have any significant impacts to Governance considerations.</p>

Additional Details

The design studies and planning for Mud Creek Phase 2 project have taken over 15 years to finalize. This project was delayed from 2022 construction due to environmental and archeological study requirements and is not recommended to be delayed beyond 2023 based on commitments made to developers in this area. This project is critical to facilitate over 50 hectares of infill residential development on a future transit corridor. As such, Civic Administration is recommending increasing the capital budget of ES2681-2, Mud Creek East Branch Phase 2 by \$11.5 million to construct this critical project in 2023. It is also recommended to defer \$5 million for Stormwater Management Contingency Facility from 2023 to 2024 and the \$4.8 million for Dingman #2 Remediation Stormwater Management Flood Control Facility from 2023 to 2025 to partially offset the increase and help soften the impact of Part A of this business case on the City Services Stormwater Reserve Fund.

Appendix A - Operating Budget Overview

2023 Annual Update – Operating Net Budget Overview (\$ Thousands)

Operating Budget	2020 Tax Levy Revenue	2021 Tax Levy Revenue	2022 Tax Levy Revenue	2023 Tax Levy Revenue	2020 to 2023 Average % Increase
Previously Approved % Increase From Rates ¹	4.4%	3.4%	2.8%	3.9%	3.6%
Previously Approved Budget	642,901	673,581	701,849	741,837	
Amendments ²				-5,379	
Amended Budget	642,901	673,581	701,849	736,458	
Amended % Increase From Rates	4.4%	3.4%	2.8%	3.1%	3.4%

Subject to rounding.

Notes

1. Previously approved rates are recalculated taking into account assessment growth impact in each annual update year of the Multi-Year Budget period.
2. Amendments reflects impacts of all budget amendments as applicable.

2023 Annual Update – Gross Operating Expenditure and Non-Tax Levy Revenue Budget Overview (\$ Thousands)

Operating Budget	2020 Expenditure	2020 Non-Tax Levy Revenue	2021 Expenditure	2021 Non-Tax Levy Revenue	2022 Expenditure	2022 Non-Tax Levy Revenue	2023 Expenditure	2023 Non-Tax Levy Revenue
Previously Approved Budget	1,007,784	364,883	1,041,639	368,058	1,108,664	406,814	1,113,685	371,848
Amendments ¹							3,597	8,975
Amended Budget	1,007,784	364,883	1,041,639	368,058	1,108,664	406,814	1,117,281	380,823

Subject to rounding.

Notes

1. Amendments reflects impacts of all budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 Operating Budget Overview (\$ Thousands)

2020 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Culture Services	27,548	1,332	26,216
Economic Prosperity	17,483	4,450	13,033
Environmental Services	37,632	14,289	23,343
Parks, Recreation & Neighbourhood Services	51,472	20,934	30,538
Planning & Development Services	17,832	9,958	7,874
Protective Services	199,619	12,614	187,005
Housing, Social & Health Services	316,969	230,439	86,530
Transportation Services	96,485	14,080	82,405
Corporate, Operational & Council Services	83,634	14,763	68,871
Financial Management	159,110	42,024	117,086
Total	1,007,784	364,883	642,901

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.

2021 Operating Budget Overview (\$ Thousands)

2021 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Culture Services	27,450	657	26,793
Economic Prosperity	15,787	3,440	12,347
Environmental Services	41,130	14,479	26,651
Parks, Recreation & Neighbourhood Services	53,858	21,706	32,152
Planning & Development Services	19,405	10,897	8,507
Protective Services	206,597	13,179	193,418
Housing, Social & Health Services	321,247	231,318	89,929
Transportation Services	102,995	16,048	86,947
Corporate, Operational & Council Services	87,364	15,354	72,009
Financial Management	165,808	40,979	124,828
Total	1,041,639	368,058	673,581

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.

2022 Operating Budget Overview (\$ Thousands)

2022 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Culture Services	28,924	807	28,117
Economic Prosperity	16,827	4,360	12,467
Environmental Services	45,106	15,370	29,737
Parks, Recreation & Neighbourhood Services	54,166	21,210	32,956
Planning & Development Services	19,509	12,380	7,128
Protective Services	215,154	13,929	201,225
Housing, Social & Health Services	358,515	263,613	94,903
Transportation Services	105,347	15,660	89,687
Corporate, Operational & Council Services	91,633	17,585	74,049
Financial Management	173,482	41,901	131,581
Total	1,108,664	406,814	701,849

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.

2023 Operating Budget Overview (\$ Thousands)

2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Culture Services	29,206	657	28,549	29,204	657	28,547
Economic Prosperity	14,492	2,453	12,039	14,792	2,453	12,339
Environmental Services	47,409	15,704	31,706	45,909	17,204	28,706
Parks, Recreation & Neighbourhood Services	54,600	21,324	33,276	57,332	24,399	32,933
Planning & Development Services	19,061	12,050	7,011	19,061	12,050	7,011
Protective Services	218,669	13,688	204,981	218,669	13,688	204,981
Housing, Social & Health Services	337,251	233,361	103,890	339,209	233,711	105,499
Transportation Services	107,639	15,752	91,887	107,478	15,752	91,726
Corporate, Operational & Council Services	91,229	16,476	74,753	92,513	16,601	75,912
Financial Management	194,128	40,383	153,745	193,112	44,308	148,804
Total	1,113,685	371,848	741,837	1,117,281	380,823	736,458

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.
2. Amended Budget reflects impacts of all budget amendments as applicable.

2020 to 2023 Operating Budget Overview (\$ Thousands)

2020 to 2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue	Average Daily Tax Payer Impact (\$)
Culture Services	113,128	3,453	109,675	113,126	3,453	109,673	0.34
Economic Prosperity	64,589	14,702	49,886	64,889	14,702	50,186	0.16
Environmental Services	171,277	59,841	111,436	169,777	61,341	108,436	0.34
Parks, Recreation & Neighbourhood Services	214,095	85,173	128,922	216,827	88,249	128,579	0.40
Planning & Development Services	75,807	45,286	30,521	75,807	45,286	30,521	0.09
Protective Services	840,039	53,410	786,628	840,039	53,410	786,628	2.43
Housing, Social & Health Services	1,333,982	958,731	375,251	1,335,941	959,081	376,860	1.17
Transportation Services	412,466	61,540	350,926	412,305	61,540	350,765	1.08
Corporate, Operational & Council Services	353,861	64,178	289,682	355,145	64,303	290,841	0.90
Financial Management	692,528	165,288	527,240	691,512	169,213	522,300	1.61
Total	4,271,772	1,511,603	2,760,168	4,275,368	1,520,579	2,754,789	8.52

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.
2. Amended Budget reflects impacts of all budget amendments as applicable.

2020 Operating Budget Detail by Service Grouping (\$ Thousands)

2020 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Centennial Hall	848	657	191
Arts, Culture & Heritage Advisory & Funding	2,527	75	2,452
Museum London	1,821	0	1,821
Eldon House	295	0	295
Heritage	543	0	543
Library Services	21,513	600	20,913
Total Culture Services	27,548	1,332	26,216
Economic Development	9,325	590	8,735
Community Improvement / Business Improvement Areas	5,454	3,860	1,594
RBC Place London	648	0	648
Tourism & Sports Attraction	2,056	0	2,056
Covent Garden Market	0	0	0
Total Economic Prosperity	17,483	4,450	13,033
Kettle Creek Conservation Authority	223	0	223
Lower Thames Valley Conservation Authority	68	0	68
Upper Thames River Conservation Authority	1,568	0	1,568
Climate Change & Environmental Stewardship	1,072	128	945
Garbage, Recycling & Composting	34,700	14,161	20,539
Total Environmental Services	37,632	14,289	23,343
Neighbourhood & Recreation Services	37,043	20,878	16,165
Parks & Urban Forestry	14,429	56	14,373
Total Parks, Recreation & Neighbourhood Services	51,472	20,934	30,538

2020 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Building Approvals	8,113	7,873	239
Planning Services	3,708	285	3,423
Development Services	6,011	1,800	4,211
Total Planning & Development Services	17,832	9,958	7,874
Animal Services	3,081	1,269	1,812
By-Law Enforcement & Property Standards	3,373	2,397	976
Emergency Management & Security Services	3,227	64	3,163
Fire Services	65,690	315	65,375
London Police Services	124,247	8,569	115,678
Total Protective Services	199,619	12,614	187,005
Municipal Housing	19,777	11,078	8,699
Housing Development Corporation	2,843	0	2,843
London & Middlesex Community Housing	12,389	0	12,389
Long Term Care	24,581	18,830	5,751
Land Ambulance	18,943	0	18,943
Middlesex-London Health Unit	6,705	0	6,705
Social & Community Support Services	231,730	200,531	31,199
Total Housing, Social & Health Services	316,969	230,439	86,530
Parking	3,478	7,120	-3,642
London Transit Commission	38,089	0	38,089
Roadways	54,839	6,880	47,959
Rapid Transit	80	80	0
Total Transportation Services	96,485	14,080	82,405

2020 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Corporate Services	65,611	5,704	59,907
Corporate Planning & Administration	2,206	22	2,184
Council Services	4,094	130	3,965
Public Support Services	11,723	8,907	2,816
Total Corporate, Operational and Council Services	83,634	14,763	68,871
Capital Financing - Capital Levy	48,262	0	48,262
Capital Financing - Debt Servicing	37,560	0	37,560
Capital Financing - Contribution to Capital Reserve Funds	31,794	0	31,794
Other Related Financing - Contingencies	4,962	0	4,962
Other Related Financing - Other Corporate Revenues & Expenditures	26,558	39,583	-13,025
Finance	9,974	2,441	7,533
Total Financial Management	159,110	42,024	117,086

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.

2021 Operating Budget Detail by Service Grouping (\$ Thousands)

2021 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Centennial Hall	848	657	191
Arts, Culture & Heritage Advisory & Funding	2,495	0	2,495
Museum London	1,852	0	1,852
Eldon House	299	0	299
Heritage	564	0	564
Library Services	21,392	0	21,392
Total Culture Services	27,450	657	26,793
Economic Development	9,308	1,450	7,858
Community Improvement / Business Improvement Areas	3,716	1,990	1,726
RBC Place London	658	0	658
Tourism & Sports Attraction	2,105	0	2,105
Covent Garden Market	0	0	0
Total Economic Prosperity	15,787	3,440	12,347
Kettle Creek Conservation Authority	314	0	314
Lower Thames Valley Conservation Authority	69	0	69
Upper Thames River Conservation Authority	1,660	0	1,660
Climate Change & Environmental Stewardship	1,579	375	1,204
Garbage, Recycling & Composting	37,508	14,105	23,403
Total Environmental Services	41,130	14,479	26,651
Neighbourhood & Recreation Services	38,800	21,649	17,151
Parks & Urban Forestry	15,058	56	15,001
Total Parks, Recreation & Neighbourhood Services	53,858	21,706	32,152

2021 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Building Approvals	8,485	8,072	413
Planning Services	4,547	904	3,643
Development Services	6,372	1,921	4,451
Total Planning & Development Services	19,405	10,897	8,507
Animal Services	3,179	1,269	1,910
By-Law Enforcement & Property Standards	3,406	2,507	899
Emergency Management & Security Services	3,387	65	3,322
Fire Services	67,013	318	66,694
London Police Services	129,612	9,020	120,592
Total Protective Services	206,597	13,179	193,418
Municipal Housing	19,656	10,892	8,764
Housing Development Corporation	3,186	0	3,186
London & Middlesex Community Housing	13,184	0	13,184
Long Term Care	25,034	18,922	6,112
Land Ambulance	21,822	0	21,822
Middlesex-London Health Unit	6,095	0	6,095
Social & Community Support Services	232,268	201,504	30,765
Total Housing, Social & Health Services	321,247	231,318	89,929
Parking	4,246	8,010	-3,764
London Transit Commission	41,626	0	41,626
Roadways	57,042	7,958	49,085
Rapid Transit	80	80	0
Total Transportation Services	102,995	16,048	86,947

2021 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Corporate Services	68,771	6,125	62,645
Corporate Planning & Administration	2,282	154	2,128
Council Services	4,177	125	4,052
Public Support Services	12,134	8,950	3,184
Total Corporate, Operational and Council Services	87,364	15,354	72,009
Capital Financing - Capital Levy	50,183	0	50,183
Capital Financing - Debt Servicing	35,979	0	35,979
Capital Financing - Contribution to Capital Reserve Funds	36,769	0	36,769
Other Related Financing - Contingencies	6,247	0	6,247
Other Related Financing - Other Corporate Revenues & Expenditures	26,322	38,527	-12,205
Finance	10,308	2,453	7,855
Total Financial Management	165,808	40,979	124,828

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.

2022 Operating Budget Detail by Service Grouping (\$ Thousands)

2022 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Centennial Hall	848	657	191
Arts, Culture & Heritage Advisory & Funding	2,660	150	2,510
Museum London	1,898	0	1,898
Eldon House	304	0	304
Heritage	1,473	0	1,473
Library Services	21,742	0	21,742
Total Culture Services	28,924	807	28,117
Economic Development	9,575	1,658	7,917
Community Improvement / Business Improvement Areas	3,591	1,852	1,740
RBC Place London	1,518	850	668
Tourism & Sports Attraction	2,143	0	2,143
Covent Garden Market	0	0	0
Total Economic Prosperity	16,827	4,360	12,467
Kettle Creek Conservation Authority	316	0	316
Lower Thames Valley Conservation Authority	71	0	71
Upper Thames River Conservation Authority	1,694	0	1,694
Climate Change & Environmental Stewardship	1,699	382	1,317
Garbage, Recycling & Composting	41,328	14,988	26,340
Total Environmental Services	45,106	15,370	29,737
Neighbourhood & Recreation Services	38,546	21,103	17,442
Parks & Urban Forestry	15,620	106	15,513
Total Parks, Recreation & Neighbourhood Services	54,166	21,210	32,956

2022 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Building Approvals	8,969	8,270	699
Planning Services	4,602	889	3,713
Development Services	5,937	3,221	2,716
Total Planning & Development Services	19,509	12,380	7,128
Animal Services	3,241	1,232	2,010
By-Law Enforcement & Property Standards	3,743	2,678	1,065
Emergency Management & Security Services	3,681	66	3,615
Fire Services	68,867	322	68,545
London Police Services	135,622	9,632	125,990
Total Protective Services	215,154	13,929	201,225
Municipal Housing	20,532	11,115	9,417
Housing Development Corporation	3,254	0	3,254
London & Middlesex Community Housing	13,923	0	13,923
Long Term Care	26,968	20,815	6,153
Land Ambulance	24,332	0	24,332
Middlesex-London Health Unit	7,345	0	7,345
Social & Community Support Services	262,161	231,682	30,478
Total Housing, Social & Health Services	358,515	263,613	94,903
Parking	4,393	8,380	-3,986
London Transit Commission	44,088	0	44,088
Roadways	56,786	7,201	49,585
Rapid Transit	80	80	0
Total Transportation Services	105,347	15,660	89,687

2022 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Corporate Services	70,579	6,211	64,368
Corporate Planning & Administration	2,351	156	2,195
Council Services	6,161	2,045	4,116
Public Support Services	12,543	9,173	3,370
Total Corporate, Operational and Council Services	91,633	17,585	74,049
Capital Financing - Capital Levy	53,651	0	53,651
Capital Financing - Debt Servicing	33,749	0	33,749
Capital Financing - Contribution to Capital Reserve Funds	40,935	0	40,935
Other Related Financing - Contingencies	8,492	0	8,492
Other Related Financing - Other Corporate Revenues & Expenditures	26,007	39,307	-13,300
Finance	10,649	2,594	8,055
Total Financial Management	173,482	41,901	131,581

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.

2023 Operating Budget Detail by Service Grouping (\$ Thousands)

2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Centennial Hall	848	657	191	848	657	191
Arts, Culture & Heritage Advisory & Funding	2,513	0	2,513	2,511	0	2,511
Museum London	1,927	0	1,927	1,927	0	1,927
Eldon House	308	0	308	308	0	308
Heritage	1,481	0	1,481	1,481	0	1,481
Library Services	22,129	0	22,129	22,129	0	22,129
Total Culture Services	29,206	657	28,549	29,204	657	28,547
Economic Development	9,002	1,528	7,474	9,002	1,528	7,474
Community Improvement / Business Improvement Areas	2,666	925	1,741	2,966	925	2,041
RBC Place London	678	0	678	678	0	678
Tourism & Sports Attraction	2,147	0	2,147	2,147	0	2,147
Covent Garden Market	0	0	0	0	0	0
Total Economic Prosperity	14,492	2,453	12,039	14,792	2,453	12,339
Kettle Creek Conservation Authority	316	0	316	316	0	316
Lower Thames Valley Conservation Authority	72	0	72	72	0	72
Upper Thames River Conservation Authority	1,727	0	1,727	1,727	0	1,727
Climate Change & Environmental Stewardship	1,674	355	1,319	1,674	355	1,319
Garbage, Recycling & Composting	43,620	15,348	28,272	42,120	16,848	25,272
Total Environmental Services	47,409	15,704	31,706	45,909	17,204	28,706
Neighbourhood & Recreation Services	38,811	21,217	17,594	41,744	24,293	17,451
Parks & Urban Forestry	15,788	106	15,682	15,588	106	15,482
Total Parks, Recreation & Neighbourhood Services	54,600	21,324	33,276	57,332	24,399	32,933
Building Approvals	8,970	8,429	541	8,970	8,429	541

2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Planning Services	4,013	264	3,749	4,013	264	3,749
Development Services	6,079	3,357	2,722	6,079	3,357	2,722
Total Planning & Development Services	19,061	12,050	7,011	19,061	12,050	7,011
Animal Services	3,300	1,205	2,094	3,300	1,205	2,094
By-Law Enforcement & Property Standards	3,763	2,620	1,142	3,763	2,620	1,142
Emergency Management & Security Services	3,710	67	3,643	3,710	67	3,643
Fire Services	70,587	326	70,261	70,587	326	70,261
London Police Services	137,311	9,471	127,840	137,311	9,471	127,840
Total Protective Services	218,669	13,688	204,981	218,669	13,688	204,981
Municipal Housing	20,797	11,063	9,734	20,797	11,063	9,734
Housing Development Corporation	3,386	0	3,386	3,386	0	3,386
London & Middlesex Community Housing	14,912	0	14,912	14,912	0	14,912
Long Term Care	27,123	20,914	6,208	27,123	20,914	6,208
Land Ambulance	27,776	0	27,776	29,535	0	29,535
Middlesex-London Health Unit	7,345	0	7,345	7,345	0	7,345
Social & Community Support Services	235,912	201,383	34,528	236,112	201,733	34,378
Total Housing, Social & Health Services	337,251	233,361	103,890	339,209	233,711	105,499
Parking	4,396	8,380	-3,984	4,396	8,380	-3,984
London Transit Commission	45,837	0	45,837	45,837	0	45,837
Roadways	57,326	7,293	50,034	57,165	7,293	49,873
Rapid Transit	80	80	0	80	80	0
Total Transportation Services	107,639	15,752	91,887	107,478	15,752	91,726

2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Corporate Services	71,286	6,339	64,946	72,570	6,464	66,105
Corporate Planning & Administration	2,251	23	2,228	2,251	23	2,228
Council Services	5,040	898	4,142	5,040	898	4,142
Public Support Services	12,652	9,216	3,436	12,652	9,216	3,436
Total Corporate, Operational and Council Services	91,229	16,476	74,753	92,513	16,601	75,912
Capital Financing - Capital Levy	54,331	0	54,331	53,736	0	53,736
Capital Financing - Debt Servicing	33,009	0	33,009	33,009	0	33,009
Capital Financing - Contribution to Capital Reserve Funds	42,464	0	42,464	41,989	0	41,989
Other Related Financing - Contingencies	27,852	0	27,852	27,852	0	27,852
Other Related Financing - Other Corporate Revenues & Expenditures	25,775	37,760	-11,985	25,625	41,685	-16,060
Finance	10,698	2,623	8,074	10,902	2,623	8,279
Total Financial Management	194,128	40,383	153,745	193,112	44,308	148,804

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.
2. Amended Budget reflects impacts of all budget amendments as applicable.

2020 to 2023 Operating Budget Detail by Service Grouping (\$ Thousands)

2020 to 2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue	Average Daily Tax Payer Impact (\$)
Centennial Hall	3,392	2,628	764	3,392	2,628	764	0.00
Arts, Culture & Heritage Advisory & Funding	10,195	225	9,970	10,193	225	9,968	0.03
Museum London	7,499	0	7,499	7,499	0	7,499	0.02
Eldon House	1,206	0	1,206	1,206	0	1,206	0.00
Heritage	4,061	0	4,061	4,061	0	4,061	0.01
Library Services	86,776	600	86,176	86,776	600	86,176	0.27
Total Culture Services	113,128	3,453	109,675	113,126	3,453	109,673	0.34
Economic Development	37,210	5,226	31,984	37,210	5,226	31,984	0.10
Community Improvement / Business Improvement Areas	15,427	8,627	6,800	15,727	8,627	7,100	0.02
RBC Place London	3,501	850	2,651	3,501	850	2,651	0.01
Tourism & Sports Attraction	8,451	0	8,451	8,451	0	8,451	0.03
Covent Garden Market	0	0	0	0	0	0	0.00
Total Economic Prosperity	64,589	14,702	49,886	64,889	14,702	50,186	0.16
Kettle Creek Conservation Authority	1,169	0	1,169	1,169	0	1,169	0.00
Lower Thames Valley Conservation Authority	279	0	279	279	0	279	0.00
Upper Thames River Conservation Authority	6,649	0	6,649	6,649	0	6,649	0.02
Climate Change & Environmental Stewardship	6,024	1,239	4,784	6,024	1,239	4,784	0.01
Garbage, Recycling & Composting	157,156	58,602	98,554	155,656	60,102	95,554	0.30
Total Environmental Services	171,277	59,841	111,436	169,777	61,341	108,436	0.34

2020 to 2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue	Average Daily Tax Payer Impact (\$)
Neighbourhood & Recreation Services	153,200	84,848	68,353	156,133	87,923	68,210	0.21
Parks & Urban Forestry	60,895	325	60,569	60,695	325	60,369	0.19
Total Parks, Recreation & Neighbourhood Services	214,095	85,173	128,922	216,827	88,249	128,579	0.40
Building Approvals	34,537	32,644	1,893	34,537	32,644	1,893	0.01
Planning Services	16,870	2,342	14,528	16,870	2,342	14,528	0.04
Development Services	24,399	10,299	14,100	24,399	10,299	14,100	0.04
Total Planning & Development Services	75,807	45,286	30,521	75,807	45,286	30,521	0.09
Animal Services	12,801	4,975	7,826	12,801	4,975	7,826	0.02
By-Law Enforcement & Property Standards	14,285	10,202	4,083	14,285	10,202	4,083	0.01
Emergency Management & Security Services	14,005	262	13,744	14,005	262	13,744	0.04
Fire Services	272,157	1,281	270,875	272,157	1,281	270,875	0.84
London Police Services	526,791	36,691	490,100	526,791	36,691	490,100	1.52
Total Protective Services	840,039	53,410	786,628	840,039	53,410	786,628	2.43

2020 to 2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue	Average Daily Tax Payer Impact (\$)
Municipal Housing	80,763	44,148	36,615	80,763	44,148	36,615	0.11
Housing Development Corporation	12,669	0	12,669	12,669	0	12,669	0.04
London & Middlesex Community Housing	54,409	0	54,409	54,409	0	54,409	0.17
Long Term Care	103,706	79,482	24,224	103,706	79,482	24,224	0.07
Land Ambulance	92,874	0	92,874	94,633	0	94,633	0.29
Middlesex-London Health Unit	27,489	0	27,489	27,489	0	27,489	0.08
Social & Community Support Services	962,071	835,101	126,970	962,271	835,451	126,820	0.39
Total Housing, Social & Health Services	1,333,982	958,731	375,251	1,335,941	959,081	376,860	1.17
Parking	16,513	31,890	-15,376	16,513	31,890	-15,376	-0.05
London Transit Commission	169,640	0	169,640	169,640	0	169,640	0.52
Roadways	225,993	29,331	196,662	225,832	29,331	196,501	0.61
Rapid Transit	320	320	0	320	320	0	0.00
Total Transportation Services	412,466	61,540	350,926	412,305	61,540	350,765	1.08
Corporate Services	276,246	24,380	251,866	277,530	24,505	253,025	0.78
Corporate Planning & Administration	9,089	354	8,735	9,089	354	8,735	0.03
Council Services	19,473	3,198	16,275	19,473	3,198	16,275	0.05
Public Support Services	49,053	36,247	12,806	49,053	36,247	12,806	0.04
Total Corporate, Operational and Council Services	353,861	64,178	289,682	355,145	64,303	290,841	0.90

2020 to 2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue	Average Daily Tax Payer Impact (\$)
Capital Financing - Capital Levy	206,426	0	206,426	205,831	0	205,831	0.64
Capital Financing - Debt Servicing	140,297	0	140,297	140,297	0	140,297	0.43
Capital Financing - Contribution to Capital Reserve Funds	151,962	0	151,962	151,487	0	151,487	0.47
Other Related Financing - Contingencies	47,553	0	47,553	47,553	0	47,553	0.15
Other Related Financing - Other Corporate Revenues & Expenditures	104,663	155,176	-50,513	104,513	159,101	-54,589	-0.17
Finance	41,628	10,111	31,517	41,832	10,111	31,721	0.10
Total Financial Management	692,528	165,288	527,240	691,512	169,213	522,300	1.61

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.
2. Amended Budget reflects impacts of all budget amendments as applicable.

Appendix B - Capital Budget Overview

2020 to 2029 Capital Budget Overview by Classification (\$ Thousands)

Classification	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	2020 to 2023 Amended Budget	2023 Amended Budget Increase/Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/Decrease	2020 to 2029 Amended Ten Year Plan
Lifecycle Renewal	105,569	93,994	106,458	98,385	404,406	-333	630,298	-2,850	1,034,704
Growth ¹	124,545	111,599	206,568	236,425	679,138	-10,225	567,163	25,329	1,246,301
Service Improvement	95,960	34,323	254,371	112,869	497,524	20,950	261,150	-22,200	758,674
Total Expenditures	326,074	239,916	567,398	447,680	1,581,067	10,392	1,458,611	279	3,039,678

Subject to rounding.

Notes

1. The next steps for projects impacted by the Climate Lens screening, such as the Wonderland Road Widening, were discussed at the August 31, 2021, Civic Works Committee, via the report titled "Outcome of Climate Lens Screening Applied to Major Transportation Projects". Based on the approved recommendations from this report, the Multi-Year Growth Budget will be adjusted during the next appropriate cycle. Capital plan adjustments for these specific projects are not available for the 2023 Annual Budget Update.

2020 to 2029 Capital Budget Overview by Service Program (\$ Thousands)

Service Program	2020 Approved Budget	2021 Approved Budget	2022 Approved Budget	2023 Amended Budget	2020 to 2023 Amended Budget	2023 Amended Budget Increase/Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/Decrease	2020 to 2029 Amended Ten Year Plan
Culture Services	8,533	2,004	3,722	2,047	16,306	0	15,457	0	31,763
Economic Prosperity	4,518	9,258	7,743	7,138	28,657	0	43,787	0	72,444
Environmental Services	42,231	1,660	5,209	15,745	64,845	0	45,845	0	110,690
Parks, Recreation and Neighbourhood Services	27,478	24,974	28,475	63,307	144,233	0	119,403	0	263,636
Planning and Development Services	1,901	4,695	3,956	5,467	16,019	0	3,638	0	19,657
Protective Services	18,638	22,782	32,829	28,569	102,818	0	110,201	0	213,020
Housing, Social and Health Services	35,511	16,887	17,496	67,444	137,337	21,000	82,788	-21,000	220,125
Transportation Services	170,082	144,790	446,004	235,317	996,193	-10,750	807,662	21,279	1,803,855
Corporate, Operational and Council Services	17,181	12,867	21,964	22,647	74,659	142	229,831	0	304,490
Total Expenditures	326,074	239,916	567,398	447,680	1,581,067	10,392	1,458,611	279	3,039,678

Subject to rounding.

2020 to 2029 Source of Financing Overview (\$ Thousands)

Source of Financing	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Amended Budget Total	2023 Amended Budget Increase/Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/Decrease	2020 to 2029 Amended Ten Year Plan
Capital Levy	46,430	47,634	57,781	53,911	205,756	36	352,043	-3,539	557,799
Debt	54,877	28,118	112,471	89,507	284,973	19,541	143,198	-17,618	428,171
Reserve Fund	68,842	40,158	55,696	83,507	248,202	292	398,851	-663	647,053
Other	5,113	2,570	1,809	7	9,499	0	1,774	0	11,274
Sub-Total Tax Supported	175,261	118,480	227,757	226,931	748,431	19,869	895,865	-21,821	1,644,297
Debt	9,970	4,568	27,794	47,366	89,698	-9,410	126,092	24,011	215,790
Reserve Fund	53,734	54,925	70,446	54,829	233,934	13	276,527	-1,432	510,461
Canada Community-Building Fund	27,355	17,108	46,333	34,743	125,540	0	97,138	0	222,678
Federal Grants	28,340	23,833	31,484	40,054	123,712	0	17,939	0	141,651
Provincial Grants	21,065	17,923	33,053	36,460	108,501	0	32,315	0	140,816
Other Government	0	0	126,414	5,910	132,324	0	7,118	0	139,442
Other	10,349	3,079	4,116	1,386	18,930	-80	5,616	-480	24,546
Sub-Total Non-Tax Supported	150,812	121,436	339,640	220,749	832,638	-9,477	562,746	22,100	1,395,383
Total Source of Financing	326,074	239,916	567,398	447,680	1,581,067	10,392	1,458,611	279	3,039,678

Subject to rounding.

2030 to 2032 Capital Budget Overview by Classification (\$ Thousands)

Classification	2030 Forecast	2031 Forecast	2032 Forecast	2023 to 2032 Amended Ten Year Plan
Lifecycle Renewal	108,737	113,215	116,470	1,067,104
Growth	73,905	40,254	48,752	966,500
Service Improvement	4,599	27,274	4,050	409,943
Total Expenditures	187,241	180,742	169,272	2,443,547

Subject to rounding.

Source of Financing	2030 Forecast	2031 Forecast	2032 Forecast	2023 to 2032 Amended Ten Year Plan
Capital Levy	63,737	65,325	66,893	601,909
Debt	0	10,861	0	243,565
Reserve Fund	34,462	51,663	38,969	607,452
Other	0	0	0	1,782
Sub-Total Tax Supported	98,198	127,850	105,862	1,454,707
Debt	37,136	1,120	2,164	213,878
Reserve Fund	34,075	34,565	42,425	442,421
Canada Community-Building Fund	13,725	13,100	14,714	173,421
Federal Grants	0	0	0	57,994
Provincial Grants	3,171	3,171	3,171	78,288
Other Government	0	0	0	13,028
Other	936	936	936	9,810
Sub-Total Non-Tax Supported	89,043	52,893	63,410	988,839
Total Source of Financing	187,241	180,742	169,272	2,443,547

Subject to rounding.

2030 to 2032 Major Capital Projects by Classification (\$ Thousands)

Classification	Project	2030 Forecast	2031 Forecast	2032 Forecast
Lifecycle Renewal	Road Network Improvements	28,641	29,328	30,029
Lifecycle Renewal	Bus Replacement Program	10,756	10,756	11,014
Lifecycle Renewal	Traffic Signal and Street Light Maintenance	8,804	9,029	9,245
Lifecycle Renewal	Vehicle and Equipment Replacement	6,662	6,238	8,898
Lifecycle Renewal	LMCH Infrastructure Gap	6,142	6,142	6,142
Growth	Wonderland Road Widening (Riverside to Springbank) ¹	41,766	0	0
Growth	Bostwick Road (Pack to Wharncliffe)	5,630	1,197	13,530
Growth	Oxford Street W Widening (Sanitorium to Commissioners)	0	18,497	0
Growth	Southdale Road W Widening (Bostwick to Colonel Talbot)	0	13,682	0
Growth	Wonderland Road Widening (Sunningdale to Fanshawe) ¹	1,687	0	11,262
Service Improvement	ILDS Internal Servicing	0	13,000	0
Service Improvement	Highbury LTC Facility Demolition and Rebuild	0	7,628	0
Service Improvement	Urban Forest Strategy	1,600	1,600	1,600
Service Improvement	Long Term Disposal Capacity	880	2,550	950
Service Improvement	ILDS External Transportation	619	996	0

Subject to rounding.

Notes

1. The next steps for projects impacted by the Climate Lens screening, such as the Wonderland Road Widening, were discussed at the August 31, 2021, Civic Works Committee, via the report titled “Outcome of Climate Lens Screening Applied to Major Transportation Projects”. Based on the approved recommendations from this report, the Multi-Year Growth Budget will be adjusted during the next appropriate cycle. Capital plan adjustments for these specific projects are not available for the 2023 Annual Budget Update.

Appendix C - Reserve / Reserve Fund Overview

Reserve and Reserve Fund Classification Descriptions

Classification	Type	Description
Obligatory	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.
Obligatory	Canada Community-Building Fund	Canada Community-Build Fund Reserve Fund is maintained under the Agreement for Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities between Canada-Ontario-AMO-City of Toronto made as of June 17, 2005.
Obligatory	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.
Discretionary	Capital Asset Renewal and Replacement	Established to provide funding for the repair and maintenance of existing City assets to ensure City-owned assets do not deteriorate over time.
Discretionary	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.
Discretionary	Special Projects and 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.
Discretionary	Contingencies/Stabilization and Risk Management	Designed to fund future obligations which are based on calculated estimates and to mitigate unforeseen events or one-time unanticipated revenue losses and expenses.

Reserve and Reserve Fund Overview ¹ (\$ Thousands)

Classification	Type	2020 Uncommitted	2021 Uncommitted	2022 Uncommitted	2023 Projected	2024 to 2029 Forecast
Obligatory	City Services	25,432	23,662	23,039	20,220	44,522
Obligatory	Canada Community-Building Fund	42,107	48,537	21,015	5,128	3,517
Obligatory	Parkland	2,645	2,301	3,272	2,717	3,701
Total	Obligatory	70,184	74,501	47,326	28,065	51,740
Discretionary	Capital Asset Renewal and Replacement ²	87,206	108,672	130,147	141,001	141,371
Discretionary	Capital Asset Growth ²	23,698	24,652	34,179	34,450	56,203
Discretionary	Special Projects and New Initiatives ²	154,259	160,998	200,853	178,229	213,413
Discretionary	Contingencies/Stabilization and Risk Management	224,531	200,968	254,396	254,032	278,793
Total	Discretionary	489,695	495,290	619,576	607,712	689,780

Subject to rounding.

Notes

1. Amounts reported include the recommended 2023 Annual Budget Update amendments.
2. Balances are increasing because several reserves and reserve funds do not factor in draws until approved by Municipal Council, or authorized designate.

Reserve and Reserve Fund Details

Obligatory Reserve Funds (\$ Thousands)

Reserve Fund	2020 Uncommitted	2021 Uncommitted	2022 Uncommitted	2023 Projected	2024 to 2029 Forecast
Canada Community-Building Fund	42,107	48,537	21,015	5,128	3,517
City Services	25,432	23,662	23,039	20,220	44,522
Parkland	2,645	2,301	3,272	2,717	3,701
Total Obligatory	70,184	74,501	47,326	28,065	51,740

Subject to rounding.

Notes

1. Obligatory reserve funds were established to comply with legislation. Contributions and drawdowns are dictated by legislation.
2. Large 2020 to 2022 balance of the Canada Community-Building Fund includes portions of the two one-time top-ups the City of London received from the Government of Canada. This balance declines due to inclusion of these funds in future capital plans.

Capital Asset Renewal and Replacement Reserve Funds (\$ Thousands)

Reserve Fund	2020 Uncommitted	2021 Uncommitted	2022 Uncommitted	2023 Projected	2024 to 2029 Forecast
Capital Infrastructure Gap	7,860	9,959	12,971	13,230	14,899
City Facilities	43,257	54,147	58,842	60,304	16,974
Corporate Security & Emergency Management	0	26	42	68	199
Courts Administration	270	5	13	14	15
Dearness Home	829	861	943	971	1,078
Library	369	555	788	1,001	201
Material Recovery Facility	1,553	715	454	463	3,798
Parking Facilities	543	1,319	1,814	2,734	7,264
Parks	0	186	702	1,292	4,281
Public Art	272	276	210	214	241
Public Housing	2,935	3,401	6,904	6,185	4,577
RBC Place London ²	458	1,161	653	987	885
Recreation	0	738	1,976	3,493	12,189
Solid Waste	5,072	8,220	12,821	12,901	9,255
Technology Services	6,913	7,493	6,091	4,911	2,677
Transportation	0	2,035	8,128	14,926	49,158
Urban Forestry	2,686	2,320	1,896	1,663	2,139
Vehicle Replacement - City	5,965	7,799	8,080	8,021	4,170
Vehicle Replacement - Fire	5,590	5,124	3,973	4,761	2,354
Vehicle Replacement - Police	2,637	2,331	2,846	2,862	5,016
Total Capital Asset Renewal and Replacement	87,206	108,672	130,147	141,001	141,371

Subject to rounding.

Notes

1. Balances are increasing because several reserves and reserve funds do not factor in draws until approved by Municipal Council, or authorized designate.
2. Budgeted activity within this reserve fund is governed by Agency, Board, or Commission policies and approvals.

Capital Asset Growth Reserve Funds (\$ Thousands)

Reserve Fund	2020 Uncommitted	2021 Uncommitted	2022 Uncommitted	2023 Projected	2024 to 2029 Forecast
Commercial DC Incentive	375	178	242	247	278
Industrial DC Incentive	3,468	6,756	4,987	5,084	5,707
Industrial Land	11,631	9,838	15,394	14,919	26,582
Industrial Oversizing	1,791	1,722	1,690	1,593	2,082
Institutional DC Incentive	5,296	3,502	7,625	6,768	7,426
Non-Growth Works Arising from Development Agreements	758	766	790	806	908
Residential DC Incentive ²	379	1,890	3,450	5,034	13,220
Total Capital Asset Growth	23,698	24,652	34,179	34,450	56,203

Subject to rounding.

Notes

1. Balances are increasing because several reserves and reserve funds do not factor in draws until approved by Municipal Council, or authorized designate.
2. Residential DC Incentive Reserve Fund balances are increasing because they do not reflect draws until associated DC grants are approved through the Community Improvement Plan program.

Special Projects and New Initiatives Reserves and Reserve Funds (\$ Thousands)

Reserve or Reserve Fund	2020 Uncommitted	2021 Uncommitted	2022 Uncommitted	2023 Projected	2024 to 2029 Forecast
Affordable Housing ¹	293	158	48,175	21,566	14,113
Animal Services	244	183	228	232	261
Automated Enforcement	1,988	1,656	2,447	2,496	2,811
Child Care and Early Childhood Development	5,333	5,565	5,934	6,053	6,817
Civic Investment ²	(87)	66	176	21	1,173
Community Improvement Program	6,019	7,446	3,260	3,146	5,917
Community Investment	1,563	1,579	1,339	1,068	1,181
Cultural Prosperity	1,054	1,065	1,331	1,357	1,529
Dearness Home Gift ³	789	887	810	829	950
Economic Development ⁴	10,458	10,144	9,815	9,376	25,592
Golf Course	250	296	524	571	869
Horton Street Environmental ⁵	78,373	79,317	79,854	79,854	79,854
Housing Support Services	510	515	531	542	610
Land Acquisition ⁶	11,367	12,703	15,868	16,670	21,831
Municipal Affordable Homeownership	1,793	2,149	2,675	2,729	3,073
Municipal Election	1,801	2,258	845	472	931
Operating Effectiveness, Efficiency and Economy ⁶	18,343	19,508	16,634	19,069	22,321
Social Housing ⁶	10,033	10,660	4,100	4,686	8,463
Social Services	3,791	3,829	3,948	4,027	4,535
Tourism Infrastructure ⁶	346	1,015	2,359	3,465	10,583
Total Special Projects and New Initiatives	154,259	160,998	200,853	178,229	213,413

Subject to rounding.

Notes

1. The forecasted balance in the Affordable Housing Reserve Fund is predominantly impacted by the drawdown schedule of the Roadmap to 3,000 Affordable Units which culminates in 2026. Much of this funding is therefore committed and not available for other housing initiatives.
2. The Civic Investment Reserve Fund was severely affected by COVID-19 impacts on Budweiser Gardens revenues but is projected to continue to recover in future years.
3. Budgeted activity within this reserve fund is subject to donation restrictions, if any, and Dearness Home policies and approvals.
4. The balance in this fund does not include amount set aside for the London Community Recovery Network.
5. The balance in the Horton Street Environmental Reserve Fund is held as contingency against the potential cleanup costs of the coal-tar affected lands at Horton and Ridout.
6. Balances are increasing because several reserves and reserve funds do not factor in draws until approved by Municipal Council, or authorized designate.



Contingencies / Stabilization and Risk Management Reserves and Reserve Funds (\$ Thousands)

Reserve or Reserve Fund	2020 Uncommitted	2021 Uncommitted	2022 Uncommitted	2023 Projected	2024 to 2029 Forecast
Building Permits	3,776	4,819	3,768	3,843	4,328
LMHC Employee Entitlement ¹	26	26	27	27	31
LPS Employee Benefits ¹	1,346	1,361	3,984	3,754	4,227
LPS Recruitment ¹	173	171	178	120	136
LPS Sick Leave ¹	92	93	96	98	110
LPS Unfunded Liability ¹	10,192	10,294	7,710	7,865	8,857
LPL Sick Leave ¹	41	43	30	15	17
Operating Budget Contingency ²	68,147	38,905	61,670	57,695	57,695
Self Insurance	8,239	10,912	13,700	14,193	16,453
Sick Leave City	1,049	557	362	370	416
Unfunded Liability ²	116,373	117,536	145,176	148,079	166,761
Workplace Safety and Insurance Board	15,078	16,252	17,694	17,973	19,762
Total Contingencies/Stabilization and Risk Management	224,531	200,968	254,396	254,032	278,793

Subject to rounding.

Notes

1. Budgeted activity within this reserve fund is governed by Agency, Board, or Commission policies and approvals.
2. The balances of these funds are significant due to the nature of their Municipal Council approved purposes, it being noted that each fund is below established targets.

Appendix D - Debt Overview

Annual Debt Servicing Costs (\$ Thousands)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
General Property Taxes	37,560	35,945	33,559	33,244	28,585	34,289	37,605	39,690	40,744	41,013
Wastewater and Treatment	9,748	9,193	5,838	4,725	4,402	3,716	4,261	4,649	5,394	4,174
Water	350	349	112	111	0	0	0	0	0	0
Rate Supported Reserve Funds	4,810	2,230	2,221	1,218	499	0	0	0	0	0
Joint Water Boards - City's Share	2,586	2,663	2,401	1,620	1,470	1,715	936	1,587	1,266	1,238
City Services Reserve Funds	12,666	14,826	14,615	14,845	19,753	24,778	31,309	35,334	40,200	43,313
Total Corporate	67,721	65,206	58,746	55,763	54,710	64,498	74,110	81,260	87,603	89,738

Subject to rounding.

Note: The 2020 to 2023 debt servicing costs for General Property Taxes, Wastewater and Treatment, and Water represent budgeted amounts and include housekeeping budget adjustments. Amounts beyond this period are forecasts.

Forecasted Issued Debt Levels at Year-End (\$ Thousands)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
General Property Taxes	139,657	123,807	109,738	141,173	211,714	226,520	246,262	250,632	251,917	251,350
Wastewater and Treatment	33,008	24,662	19,456	15,217	11,184	16,280	21,041	25,608	29,604	34,994
Water	549	213	108	0	0	0	0	0	0	0
Rate Supported Reserve Funds	5,786	3,752	1,656	490	0	0	0	0	0	0
Joint Water Boards - City's Share	9,967	7,522	5,286	3,776	2,382	2,983	2,111	9,891	8,862	7,832
City Services Reserve Funds	90,127	86,359	82,514	115,244	144,588	173,753	199,008	220,104	237,327	256,315
Total Corporate	279,095	246,314	218,757	275,900	369,867	419,536	468,422	506,235	527,709	550,490

Subject to rounding.

Note 1: 2020 and 2021 Issued Debt Levels reflects actual amounts.

Note 2: Debt Overview includes impacts of budget amendments as applicable.

Appendix E – 2020 to 2023 Multi-Year Budget Tax Levy Summary

2020 to 2023 Multi-Year Budget Tax Levy Summary	2020 to 2023 Average % Increase
2020 Budget to Maintain Existing Service Levels ^{1, 2}	2.9%
Total 2020 Business Cases (Additional Investments and Tax Levy Reductions)	0.9%
2020 % Increase from Rates	3.8%
2021 Budget Amendments Approved by Council	0.0%
2021 Amended % Increase from Rates	3.8%
2022 Budget Amendments Approved by Council	-0.2%
2022 Amended % Increase from Rates	3.6%
2023 Budget Amendments Approved by Council	-0.2%
2023 Amended % Increase from Rates	3.4%

Subject to rounding.

Notes

1. Previously approved rates are recalculated taking into account assessment growth impact in each year of annual update of the Multi-Year Budget period.
2. Budget to maintain existing service levels includes provincial impact decisions made as part of the 2020 to 2023 Multi-Year Budget.

2020 to 2023 Multi-Year Budget Tax Levy Summary (\$Thousands)	2020	2021	2022	2023
2020 Budget to Maintain Existing Service Levels ³	3.2%	3.4%	2.4%	2.8%
Case #1: 60% Waste Diversion Action Plan	700	3,900	6,500	6,500
Case #2: Affordable Housing Community Improvement Plan	187	187	195	203
Case #3B: Back to the River Environmental Assessment Implementation	0	0	0	0
Case #3C: Back to the River Soho Environmental Assessment	0	0	0	0
Case #4A: City of London Infrastructure Gap	500	500	1,000	1,000
Case #4B: City of London Infrastructure Gap	750	1,500	2,250	3,000
Case #5A: Climate Emergency Declaration (Develop Action Plan)	0	0	0	0
Case #5B Climate Emergency: Implement Immediate Actions	90	318	318	318
Case #6: Coordinated Informed Response	1,613	1,655	1,697	1,738
Case #7A: Core Area Action Plan	1,880	2,280	2,580	2,580

2020 to 2023 Multi-Year Budget Tax Levy Summary (\$Thousands)	2020	2021	2022	2023
Case #7B: Core Area Action Plan	500	600	300	300
Case #8: Dearness Home Auditorium Expansion	0	0	259	259
Case #9: Fanshawe College Innovation Village	0	0	0	0
Case #10A: Housing Development Corporation Funding for Affordable Housing	0	100	250	500
Case #10B: Housing Development Corporation Funding for Affordable Housing	500	670	830	800
Case #11A: Information System - Application Tracking Software	0	0	0	0
Case #11B: Information System - Human Capital Management System	183	183	183	183
Case #12: London and Middlesex Community Housing Infrastructure Gap	500	1,000	1,500	2,000
Case #13: Master Accommodation Plan	0	0	0	0
Case #14: Operations Master Plan 2020	0	0	0	0
Case #15: Subsidized Transit Program	0	0	0	964
Case #16: T-Block Replacement / New Storage Building	0	0	0	0
Case #17A: Community Improvement Plan - Community Building Projects	30	30	50	50
Case #17B: Community Improvement Plan - Land Acquisition	0	0	0	0
Case #18: London and Middlesex Community Housing - Co-Investment with Canada Mortgage Housing Corporation	1,873	1,921	1,967	2,016
Case #19: London and Middlesex Community Housing Operating Staffing and Security	1,054	1,347	1,535	1,739
Case #20: London Public Library – Collections	0	0	0	0
Case #21: Regeneration of Public Housing	500	500	1,750	2,500
Case #23: Street Light Local Improvement	120	125	131	136
Case #24: Wifi in Recreation Facilities for the Public	0	0	0	0
Case #25: Winter Maintenance Program Support	0	740	740	740
Case #26: Eliminate Curbside Christmas Tree Collection	0	-40	-40	-40
Case #27: London Public Library - Eliminate Planned Security Enhancements	0	-21	-43	-43
Case #28: London Public Library - Eliminate Planned Staffing Increase	0	0	0	-42
Case #29: London Public Library - Promissory Note Forgiveness	-171	-176	-182	-188
Case #30: London Public Library - Wi-Fi Hotspot Lending Program	-47	-47	-47	-47
Case #31: Multi-Residential Fee Increase for Waste Collection	0	-150	-300	-450
Case #33: Reduce Road Network Improvements for Minor Streets	-800	-800	-800	-800

2020 to 2023 Multi-Year Budget Tax Levy Summary (\$Thousands)	2020	2021	2022	2023
Case #34: Transfer Portion of Conservation Authority Costs to Wastewater and Treatment Budget	-2,788	-2,854	-2,921	-2,991
Total 2020 Business Cases \$	7,174	13,468	19,702	22,925
Total 2020 Business Cases %	1.2%	1.0%	0.9%	0.5%
2020 % Increase from Rates	4.4%	4.4%	3.4%	3.3%
Case #1: RBC Place London - Promissory Note Forgiveness	0	0	0	0
Case #2: RBC Place London - Revised Capital Plan	0	0	0	0
Case #3: Recycling and Composting - Repair of Material Recovery Facility Fire Suppressant System	0	0	0	0
Case #4: Children's Services - Reduction in Required Investment in 2021 Due to Impacts of COVID-19	0	-1,630	0	0
Case #5: Middlesex-London Health Unit - Increased Funding by the Ministry of Health in 2021	0	-610	0	0
Case #6: Ontario Works - Reduction in Investment in 2021 in Connection with Impacts of COVID-19 Pandemic	0	-425	0	0
Case #7: Corporate Services - Administrative Recoveries from Water, Wastewater and Treatment, and Joint Water Boards	0	-403	-578	-601
Case #8: Other Related Financing - Reduction to Corporate Contingency Budget	0	-500	-700	-700
Case #9: Implementation of Strategic Objectives Related to Growing a Film Sector in London	0	0	0	0
Case #10: Revised Implementation (Case #1, 2020 Budget) - 60% Waste Diversion Action Plan	0	-2,300	-1,450	0
Amendment to the 2020 to 2023 Additional Investment Case #4B – City of London Infrastructure Gap	0	-500	-500	-500
Total 2021 Budget Amendments \$	0	-6,367	-3,228	-1,801
Total 2021 Budget Amendments %	0.0%	-1.0%	0.4%	0.1%
2021 Amended % Increase from Rates	4.4%	3.4%	3.8%	3.4%
Case #P-1: Various Services – Budget Right-Sizing	0	0	-3,712	-3,282
Case #P-2: Middlesex London Health Unit – Inflationary Pressures	0	0	640	640
Case #P-3: RBC Place London – Funding Support	0	0	0	0
Case #P-4: Private Parking Enforcement – Increased Fines	0	0	-100	-100

2020 to 2023 Multi-Year Budget Tax Levy Summary (\$Thousands)	2020	2021	2022	2023
Case #P-5: Child Care and Ontario Works – Reduction in Required 2022 Investment	0	0	-2,773	0
Case #P-6: Infrastructure Gap and Community Building Projects – Reductions to Previously Approved Business Cases	0	0	-650	-650
Case #P-7: Reduction to Neighbourhood and Sports Programs – Part C	0	0	-100	-100
Case #P-8: Parks – Naturalization and Reduction in Tree Trimming	0	0	-258	-258
Case #P-9: Invasive Species Management - Capital	0	0	0	0
Case #P-10: Transportation – Capital Project Adjustments	0	0	0	0
Case #P-11: Long-term Disposal Capacity – Revised Costs	0	0	0	0
Case #P-12: LTC – Zero Emission Buses	0	0	0	0
Total 2022 Budget Amendments \$	0	0	-6,952	-3,750
Total 2022 Budget Amendments %	0.0%	0.0%	-1.0%	0.5%
2022 Amended % Increase from Rates	4.4%	3.4%	2.8%	3.9%
Case #P-1 (Operating): Various Services – Budget Right Sizing	0	0	0	-6,581
Case #P-2 (Operating): Ontario Works and Children’s Services – Reduction in Required 2023 Investments	0	0	0	-1,030
Case #P-3 (Operating): Roadmap to 3,000 Affordable Units – Portable Benefits & Staff Resources	0	0	0	1,794
Case #P-4 (Operating): Project Clean Slate	0	0	0	200
Case #P-5 (Operating): Cybersecurity Infrastructure Expansion and Updates	0	0	0	1,009
Case #P-6 (Operating): 1001 Inventions Exhibit	0	0	0	0
Case #P-7 (Operating): Land Ambulance – Additional Resources to Address Service Pressures	0	0	0	0
Case #P-8 (Capital): Realignment and Adjustment of Transportation Capital Growth Project Budgets	0	0	0	0
Case #P-9 (Capital): Project Timeline and Funding Realignment – Regeneration of Public Housing	0	0	0	0
Case #P-10 (Operating): Reduction to Previously Approved “For Consideration” Business Cases for Streetlights and Walkway Maintenance Reductions	0	0	0	-196
Case #P-11 (Operating): Reduction in Horticulture Aesthetics	0	0	0	-200
Case #P-14 (Operating): Humane Society of London & Middlesex Animal Campus	0	0	0	0

2020 to 2023 Multi-Year Budget Tax Levy Summary (\$Thousands)	2020	2021	2022	2023
Case #P-16 (Operating): Funding for the Hamilton Road BIA	0	0	0	100
Case #P-17 (Operating): Reduction to Previously Approved "For Consideration" Business Case – Infrastructure Gap RF Contribution	0	0	0	-475
Case #P-18 (Capital): Streetscape Master Plan for Dundas Street – Argyle BIA	0	0	0	0
Total 2023 Budget Amendments \$	0	0	0	-5,379
Total 2023 Budget Amendments %	0.0%	0.0%	0.0%	-0.8%
2023 Amended % Increase from Rates	4.4%	3.4%	2.8%	3.1%

Subject to rounding.

Notes

1. Summary represents operating and capital levy (property tax) funding only. It does not include funding from other sources, primarily reserves/reserve funds.
2. Previously approved rates are recalculated taking into account assessment growth impact in each year of annual update of the Multi-Year Budget period.
3. Budget to maintain existing service levels includes provincial impact decisions made as part of the 2020 to 2023 Multi-Year Budget.
4. Summary includes the impacts of decisions made by Council as part of the 2023 Annual Budget Update.

Appendix F - 2020 to 2023 Water Schedule of Rates and Charges

1. Monthly Water Usage Charges - Water rates

Range within Block (m ³)	Monthly Water Consumption (m ³)	January 1, 2020 Rate (\$/m ³)	January 1, 2021 Rate (\$/m ³)	January 1, 2022 Rate (\$/m ³)	January 1, 2023 Rate (\$/m ³)
0 - 7	First 7	\$0.0000	\$0.0000	\$0.0000	\$0.0000
8 - 15	Next 8	\$2.3069	\$2.3646	\$2.4237	\$2.4843
16 - 25	Next 10	\$2.9659	\$3.0400	\$3.1160	\$3.1939
26 - 35	Next 10	\$3.2956	\$3.3780	\$3.4625	\$3.5491
36 - 250	Next 215	\$1.2524	\$1.2837	\$1.3158	\$1.3487
251 - 7,000	Next 6,750	\$1.1864	\$1.2161	\$1.2465	\$1.2777
7,001 - 50,000	Next 43,000	\$1.0811	\$1.1081	\$1.1358	\$1.1642
50,001+	Over 50,000	\$0.9626	\$0.9867	\$1.0114	\$1.0367

2. Monthly Water Fixed Charges

2.1 Infrastructure Connection Charge

Meter Size (mm)	January 1, 2020 Monthly Charge	January 1, 2021 Monthly Charge	January 1, 2022 Monthly Charge	January 1, 2023 Monthly Charge
16 mm	\$16.20	\$16.61	\$17.03	\$17.46
19 mm	\$24.29	\$24.90	\$25.52	\$26.16
25 mm	\$40.49	\$41.50	\$42.54	\$43.60
40 mm	\$80.99	\$83.01	\$85.09	\$87.22
50 mm	\$129.59	\$132.83	\$136.15	\$139.55
76 mm	\$283.43	\$290.52	\$297.78	\$305.22
100 mm	\$485.91	\$498.06	\$510.51	\$523.27
150 mm	\$1,133.80	\$1,162.15	\$1,191.20	\$1,220.98
200 mm	\$1,943.63	\$1,992.22	\$2,042.03	\$2,093.08
250 mm	\$2,429.67	\$2,490.41	\$2,552.67	\$2,616.49

2.2 Fire Protection Charge

Property Classification	January 1, 2020 Monthly Rate	January 1, 2021 Monthly Rate	January 1, 2022 Monthly Rate	January 1, 2023 Monthly Rate
Residential and Low-density Residential	\$1.66	\$1.70	\$1.74	\$1.78
Institutional, Commercial, Industrial, Medium-density Residential, High Rise under 5.0 hectares	\$11.12	\$11.40	\$11.69	\$11.98
Institutional, Commercial, Industrial, Medium-density Residential, High Rise 5.0 hectares and over	\$55.54	\$56.93	\$58.35	\$59.81

2.3 Customer Assistance Charge

Property Classification	January 1, 2020 Monthly Charge	January 1, 2021 Monthly Charge	January 1, 2022 Monthly Charge	January 1, 2023 Monthly Charge
Residential	\$0.25	\$0.25	\$0.25	\$0.25

3.1 Temporary Connection Charges for Construction

Building Type	January 1, 2020 Charge (\$)	January 1, 2021 Charge (\$)	January 1, 2022 Charge (\$)	January 1, 2023 Charge (\$)
Single family	\$59.99	\$61.49	\$63.03	\$64.61
Duplex	\$59.99	\$61.49	\$63.03	\$64.61
Up to 4 units	\$74.97	\$76.84	\$78.76	\$80.73
5 to 10 units	\$112.38	\$115.19	\$118.07	\$121.02
11 to 15 units	\$149.88	\$153.63	\$157.47	\$161.41
16 to 20 units	\$187.42	\$192.11	\$196.91	\$201.83
21 to 25 units	\$225.64	\$231.28	\$237.06	\$242.99
26 to 30 units	\$262.29	\$268.85	\$275.57	\$282.46
31 to 35 units	\$299.92	\$307.42	\$315.11	\$322.99
36 to 40 units	\$337.40	\$345.84	\$354.49	\$363.35

Building Type	January 1, 2020 Charge (\$)	January 1, 2021 Charge (\$)	January 1, 2022 Charge (\$)	January 1, 2023 Charge (\$)
41 to 50 units	\$374.83	\$384.20	\$393.81	\$403.66
Over 50 units (Charge per unit)	\$7.60	\$7.79	\$7.98	\$8.18
Other Structures	\$15.26	\$15.64	\$16.03	\$16.43
	per 93 m ² of floor space (minimum charge \$38.12)	per 93 m ² of floor space (minimum charge \$39.07)	per 93 m ² of floor space (minimum charge \$40.05)	per 93 m ² of floor space (minimum charge \$41.05)

3.2 Main Tap Charges

Type of Main Tap	January 1, 2020 Charge	January 1, 2021 Charge	January 1, 2022 Charge	January 1, 2023 Charge
Tap size of 50 mm or less	\$359.95	\$368.95	\$378.17	\$387.62
Tap size of greater than 50 mm	\$719.90	\$737.90	\$756.35	\$775.26
Tapping concrete mains or tap size of greater than 300 mm	\$2,159.71	\$2,213.70	\$2,269.04	\$2,325.77

3.3 Miscellaneous Charges

Service or Activity	January 1, 2020 Charge	January 1, 2021 Charge	January 1, 2022 Charge	January 1, 2023 Charge
Change of occupancy/ Account set-up/ Security deposit	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro
Late payment	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro

Service or Activity	January 1, 2020 Charge	January 1, 2021 Charge	January 1, 2022 Charge	January 1, 2023 Charge
NSF cheques	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro
Collection charges	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro
Bulk Water User charges Cost of Water per 1,000 litres	\$3.85	\$3.95	\$4.05	\$4.15
Inspecting waterworks installations/disconnections (per hour)	\$133.25	\$136.58	\$139.99	\$143.49
Disconnection of Water Service				
During regular hours	\$35.00	\$35.00	\$35.00	\$35.00
After regular hours	\$185.00	\$185.00	\$185.00	\$185.00
Arrears Certificate Charges (non-payment/arrears)	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro
Disconnect and Reconnect Meter at customer request				
16 and 19 mm	\$133.25	\$136.58	\$136.58	\$136.58
25 mm and larger	\$266.50	\$273.16	\$273.16	\$273.16
Install Water Meter and Remote Read- Out Unit at customer request				
16 and 19 mm	\$307.50	\$315.19	\$323.07	\$331.15
25 mm and larger	Time and Material	Time and Material	Time and Material	Time and Material
Repair damaged Water Meter				
16 and 19 mm	\$235.75	\$241.64	\$247.68	\$253.87
25 mm and larger	Time and Material	Time and Material	Time and Material	Time and Material
Meter checked for accuracy at customer's request and found to be accurate				

Service or Activity	January 1, 2020 Charge	January 1, 2021 Charge	January 1, 2022 Charge	January 1, 2023 Charge
16 and 19 mm	\$271.63	\$278.42	\$285.38	\$292.51
25 mm and larger	\$404.88	\$415.00	\$425.38	\$436.01
Builder and Developer Frontage Charges: (based on actual frontage which directly abuts City right-of-way)				
Residential (per meter; maximum 50 meters)	\$234.33	\$240.19	\$246.19	\$252.34
Commercial, Industrial and Institutional (per meter)	\$249.23	\$255.46	\$261.85	\$268.40
Illegal Hydrant Connection Charge (charge per offence + Water consumption)	\$768.75	\$787.97	\$807.67	\$827.86
Temporary Hydrant Connection				
Hydrant connection/disconnection	\$225.50	\$405.50	\$415.64	\$426.03
Hydrant occupancy (per week)	\$41.00	\$42.03	\$43.08	\$44.16
Water consumption:				
Minimum charge (up to 300m ³)	\$999.38	\$1,155.00	\$1,183.88	\$1,213.48
All additional m ³ (per m ³)	\$3.33	\$3.85	\$3.95	\$4.05
Water Meter Installation Options (by application):				
Radio Device Wired to Outside of House	No Charge	No Charge	No Charge	No Charge
Touch Pad Wired Outside of House	Material	Material	Material	Material
Meter Pit Installation	Time and Material (\$2,500.00 deposit)	Time and Material (\$2,500.00 deposit)	Time and Material (\$2,500.00 deposit)	Time and Material (\$2,500.00 deposit)
Valve Rod Extensions (by Length):				
2 Foot	\$67.62	\$69.31	\$71.04	\$72.82
2 ½ Foot	\$68.91	\$70.63	\$72.40	\$74.21
3 Foot	\$70.18	\$71.93	\$73.73	\$75.57

Service or Activity	January 1, 2020 Charge	January 1, 2021 Charge	January 1, 2022 Charge	January 1, 2023 Charge
3 ½ Foot	\$71.47	\$73.26	\$75.09	\$76.97
4 Foot	\$72.75	\$74.57	\$76.43	\$78.34
4 ½ Foot	\$74.05	\$75.90	\$77.80	\$79.75
5 Foot	\$75.33	\$77.21	\$79.14	\$81.12
5 ½ Foot	\$76.62	\$78.54	\$80.50	\$82.51
6 Foot	\$77.89	\$79.84	\$81.84	\$83.89
6 ½ Foot	\$79.18	\$81.16	\$83.19	\$85.27
7 Foot	\$80.46	\$82.47	\$84.53	\$86.64
7 ½ Foot	\$81.75	\$83.79	\$85.88	\$88.03
8 Foot	\$83.04	\$85.12	\$87.25	\$89.43
9 Foot	\$85.60	\$87.74	\$89.93	\$92.18
10 Foot	\$88.17	\$90.37	\$92.63	\$94.95

Appendix G - 2020 to 2023 Wastewater and Treatment Schedule of Rates and Charges

1. Monthly Wastewater Usage Charges

Range within Block (m ³)	Monthly Water Consumption (m ³)	January 1, 2020 Rate (\$/m ³)	January 1, 2021 Rate (\$/m ³)	July 1, 2021 Rate (\$/m ³)	January 1, 2022 Rate (\$/m ³)	January 1, 2023 Rate (\$/m ³)
0 - 7	First 7	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
8 - 15	Next 8	\$2.0503	\$2.1016	\$2.1583	\$2.2123	\$2.2676
16 - 25	Next 10	\$2.6361	\$2.7020	\$2.7750	\$2.8444	\$2.9155
26 - 35	Next 10	\$2.9290	\$3.0022	\$3.0833	\$3.1604	\$3.2394
36 - 250	Next 215	\$1.1128	\$1.1406	\$1.1714	\$1.2007	\$1.2307
251 - 7,000	Next 6,750	\$1.0544	\$1.0808	\$1.1100	\$1.1378	\$1.1662
7,001 - 50,000	Next 43,000	\$0.9607	\$0.9847	\$1.0113	\$1.0366	\$1.0625
50,001+	Over 50,000	\$0.8553	\$0.8767	\$0.9004	\$0.9229	\$0.9460

2. Monthly Wastewater Fixed Charges

Meter Size (mm)	January 1, 2020 Monthly Charge	January 1, 2021 Monthly Charge	July 1, 2021 Monthly Charge	January 1, 2022 Monthly Charge	January 1, 2023 Monthly Charge
16 mm	\$13.72	\$14.06	\$14.44	\$14.80	\$15.17
19 mm	\$20.56	\$21.07	\$21.64	\$22.18	\$22.73
25 mm	\$34.27	\$35.13	\$36.08	\$36.98	\$37.90
40 mm	\$68.53	\$70.24	\$72.14	\$73.94	\$75.79
50 mm	\$109.64	\$112.38	\$115.41	\$118.30	\$121.26
76 mm	\$239.84	\$245.84	\$252.48	\$258.79	\$265.26
100 mm	\$411.13	\$421.41	\$432.79	\$443.61	\$454.70
150 mm	\$959.35	\$983.33	\$1,009.88	\$1,035.13	\$1,061.01
200 mm	\$1,644.58	\$1,685.69	\$1,731.20	\$1,774.48	\$1,818.84
250 mm	\$2,056.30	\$2,107.71	\$2,164.62	\$2,218.74	\$2,274.21

3. Monthly Stormwater Fixed Charges

Property Type and Size	January 1, 2020 Storm Drainage Charge	January 1, 2021 Storm Drainage Charge	July 1, 2021 Storm Drainage Charge	January 1, 2022 Storm Drainage Charge	January 1, 2023 Storm Drainage Charge
Residential, land area equal to or below 0.40 hectares without a storm sewer within 90m of property (\$/Month)	\$12.56	\$12.87	\$13.22	\$13.55	\$13.89
Land area equal to or below 0.40 hectares (\$/Month)	\$16.71	\$17.13	\$17.59	\$18.03	\$18.48
Land area above 0.40 hectares (\$/hectare/Month)	\$139.10	\$142.58	\$146.43	\$150.09	\$153.84

4. Miscellaneous Rates and Charges

4.1 Frontage Charge

Type of Sewer Connection (\$ per metre of calculated frontage)	January 1, 2020 Frontage Charge	January 1, 2021 Frontage Charge	July 1, 2021 Frontage Charge	January 1, 2022 Frontage Charge	January 1, 2023 Frontage Charge
Sanitary Sewer	\$255.05	\$261.43	\$268.49	\$275.20	\$282.08
Storm Sewer - Residential	\$236.12	\$242.02	\$248.55	\$254.76	\$261.13
Storm Sewer - All Lands excluding Residential	\$472.25	\$484.06	\$497.13	\$509.56	\$522.30

4.2 Private Drain Connection (PDC) Charges

Services provided by the Engineer - single detached residential, low density residential dwellings	January 1, 2020 Each PDC (\$)	January 1, 2021 Each PDC (\$)	July 1, 2021 Each PDC (\$)	January 1, 2022 Each PDC (\$)	January 1, 2023 Each PDC (\$)
Repair or replace existing PDC - no construction	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00

4.3 Hauled Liquid Waste Disposal

Type of Service	January 1, 2020 Rate (\$ per 1,000 litres)	January 1, 2021 Rate (\$ per 1,000 litres)	July 1, 2021 Rate (\$ per 1,000 litres)	January 1, 2022 Rate (\$ per 1,000 litres)	January 1, 2023 Rate (\$ per 1,000 litres)
Hauled Liquid Waste excluding Leachate	\$14.52	\$14.88	\$15.28	\$15.66	\$16.05
Leachate	\$26.75	\$27.42	\$28.16	\$28.86	\$29.58

4.4 High Strength Sewage Service Charge

Type of Service	January 1, 2020 Rate (\$ per m ³)	January 1, 2021 Rate (\$ per m ³)	July 1, 2021 Rate (\$ per m ³)	January 1, 2022 Rate (\$ per m ³)	January 1, 2023 Rate (\$ per m ³)
High Strength Sewage Service Charge	\$0.672	\$0.689	\$0.708	\$0.726	\$0.744



2020-2023
**MULTI-YEAR
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