

## Report to Strategic Priorities and Policy Committee

**To:** Chair and Members  
Strategic Priorities and Policy Committee

**From:** Anna Lisa Barbon, CPA, CGA  
Deputy City Manager, Finance Supports

**Subject:** 2024-2027 Multi-Year Budget Draft Base Budget Amendments

**Date:** January 16, 2024

## Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports:

- a) This report **BE RECEIVED** for information; and
- b) The 2024-2027 Multi-Year Budget Draft Base Budget Amendments related to Tourism London (attached as Appendix “A”) and Upper Thames River Conservation Authority (attached as Appendix “B” and “C”) **BE REFERRED** to the Budget Committee deliberations on the 2024-2027 Multi-Year Budget.

## Linkage to the Corporate Strategic Plan

Council’s 2023-2027 Strategic Plan for the City of London identifies ‘Well-Run City’ as a strategic area of focus. The City of London’s Multi-Year Budget (MYB) process is specifically listed as a strategy under this strategic area of focus: ‘Develop and monitor the Multi-Year Budget to align financial resources with Council’s Strategic Plan.’ The implementation of a MYB signifies that the City is looking beyond a short-term focus when planning its finances. This results in improved accountability and transparency over spending changes and helps the City maintain positive operating results, stable debt levels, and strong liquidity, reflected in the continued affirmation of the City’s Aaa credit rating (47 consecutive years).

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports Related to this Matter

December 12, 2023, Strategic Priorities and Policy Committee – Release of the Draft 2024-2027 Multi-Year Budget: <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=105166>

### 2.0 Discussion and Considerations

Preparation of the Multi-Year Budget is a lengthy process and involves the compilation of four-year budgets for more than 90 services delivered by the City of London and its agencies, boards and commissions. As part of the budget development process, deadlines are established to ensure that the budget materials can be finalized in accordance with timelines for the release of agenda materials for standing committees of Council.

After the finalization of the 2024-2027 Multi-Year Budget document, Civic Administration became aware of required adjustments to the base budgets included in the draft 2024-2027 Multi-Year Budget released on December 12, 2023. These adjustments relate to

the base budgets for Tourism London and the Upper Thames River Conservation Authority (UTRCA).

Tourism London (Appendix A):

During the process of uploading budgets to the City's financial system, the Tourism London budget was erroneously maintained at 2023 levels for the 2024 to 2027 period in the City's draft budget document. A change is required to align with Tourism London's 2024-2027 budget submission to the City of London.

Upper Thames River Conservation Authority (Appendix B and Appendix C):

While Council enacted the "Boards, Commissions or Other Bodies Budget By-law" on April 25, 2023 that detailed the requirement to submit a final budget approved by the organization's governing body by September 30<sup>th</sup>, the final draft proposed 2024 UTRCA budget was not received until November 17<sup>th</sup>, noting that the UTRCA budget will not be finalized and approved by the board until February 27, 2024. As a result, the draft 2024-2027 Multi-Year Budget document incorporated draft figures received earlier from UTRCA. A base budget amendment is required to align with the City of London's share of the draft proposed UTRCA budget circulated to member municipalities.

As the UTRCA budget is funded partially by the City's property tax supported budget and partially by the City's wastewater and treatment budget, adjustments are attached for both the property tax budget (Appendix B) and wastewater budget (Appendix C).

## Conclusion

Civic Administration became aware of required adjustments to base budgets after the finalization of the draft 2024-2027 Multi-Year Budget document released on December 12, 2023. Subject to the approval of the recommendation in this report, the Draft Base Budget Amendments for Tourism London and Upper Thames River Conservation Authority will be referred to the Budget Committee's deliberations on the 2024-2027 Multi-Year Budget in February 2024.

**Submitted by:** Kyle Murray, CPA, CA  
Director, Financial Planning & Business Support

**Recommended by:** Anna Lisa Barbon, CPA, CGA  
Deputy City Manager, Finance Supports

**Attach:** Appendix A: Draft Base Budget Amendment – Tourism London

Appendix B: Draft Base Budget Amendment – Upper Thames River Conservation Authority (Property Tax)

Appendix C: Draft Base Budget Amendment – Upper Thames River Conservation Authority (Wastewater)

## Draft Base Budget Amendment - Tourism London Appropriation

Service Grouping: Tourism London

Tax Levy Revenue Impact (\$ Thousands)	2023 Approved Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Avg. \$ Increase/ Decrease	Avg. % Increase/ Decrease
Draft Budget as Released	\$2,402	\$2,402	\$2,402	\$2,402	\$2,402	\$0	0%
Amendment	N/A	\$168	\$171	\$201	\$207	\$187	2.1%
Amended Draft Budget	\$2,402	\$2,571	\$2,574	\$2,604	\$2,609	\$187	2.1%

Subject to rounding.

### Summary of Draft Base Budget Amendment:

The City of London provides accounting and other financial services to Tourism London. During the budget upload process the Tourism London budget was erroneously maintained at 2023 levels for the 2024 to 2027 period in the City's draft budget document. This change is required to align with Tourism London's 2024-2027 budget submission.

The draft 2024-2027 Multi-Year Budget for Tourism London reflects a 2.1% average annual increase. This increase is primarily driven by personnel cost increases in accordance with collective agreements and right-sizing of various expenditure budgets to align with recent spending levels.

Additional Details:

Operating - Draft Budget as Released (\$ Thousands)

Tourism London Appropriation	2023 Approved Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Avg. \$ Increase/ Decrease	Avg. % Increase/ Decrease
Expenditure	\$2,402	\$2,402	\$2,402	\$2,402	\$2,402	\$0	0%
Non-Tax Levy Revenue	\$0	\$0	\$0	\$0	\$0	\$0	0%
Tax Levy Revenue	\$2,402	\$2,402	\$2,402	\$2,402	\$2,402	\$0	0%

Subject to rounding.

Operating - Amended Budget (\$ Thousands)

Tourism London Appropriation	2023 Approved Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Avg. \$ Increase/ Decrease	Avg. % Increase/ Decrease
Amended Expenditure	\$2,402	\$2,571	\$2,574	\$2,604	\$2,609	\$187	2.1%
Amended Non-Tax Levy Revenue	\$0	\$0	\$0	\$0	\$0	\$0	0%
Amended Tax Levy Revenue	\$2,402	\$2,571	\$2,574	\$2,604	\$2,609	\$187	2.1%

Subject to rounding.

## Draft Base Budget Amendment – UTRCA Municipal Levy Adjustment (Property Tax Supported Budget)

Service Grouping: Upper Thames River Conservation Authority (UTRCA)

Tax Levy Revenue Impact (\$ Thousands)	2023 Approved Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Avg. \$ Increase/ Decrease	Avg. % Increase/ Decrease
Draft Budget as Released	\$1,727	\$2,127	\$2,324	\$2,394	\$2,481	\$188	9.8%
Amendment	N/A	-\$231	\$141	\$241	\$234	\$59	2.6%
Amended Draft Budget	\$1,727	\$1,896	\$2,465	\$2,635	\$2,714	\$247	12.4%

Subject to rounding.

### Summary of Draft Base Budget Amendment:

Changes from the draft base budget released reflect the UTRCA's updated draft operating budget. The expenditures and revenues have been refined primarily based on expenditures related to materials, supplies, and property expenses, as improved estimates have been received. 2023 year-end revenues have also improved previous estimates for deficits funded by reserves in 2024, while draws from reserves in 2025 to 2027 are projected to be reduced.

## Additional Details:

### Operating - Draft Budget as Released (\$ Thousands)

Upper Thames Conservation Authority Operating Budget	2023 Approved Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Avg. \$ Increase/ Decrease	Avg. % Increase/ Decrease
Expenditure	\$1,727	\$5,318	\$5,810	\$5,984	\$6,201	\$1,118	55.9%
Non-Tax Levy Revenue	\$0	\$3,191	\$3,486	\$3,591	\$3,721	\$930	29.0%
Tax Levy Revenue	\$1,727	\$2,127	\$2,324	\$2,394	\$2,481	\$188	9.8%

Subject to rounding.

### Operating - Amended Budget (\$ Thousands)

Upper Thames Conservation Authority Operating Budget	2023 Approved Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Avg. \$ Increase/ Decrease	Avg. % Increase/ Decrease
Amended Expenditure	\$1,727	\$4,739	\$6,163	\$6,588	\$6,786	\$1,265	53.6%
Amended Non-Tax Levy Revenue	\$0	\$2,844	\$3,698	\$3,953	\$4,071	\$1,018	35.0%
Amended Tax Levy Revenue	\$1,727	\$1,896	\$2,465	\$2,635	\$2,714	\$247	12.4%

Subject to rounding.

## Draft Base Budget Amendment – UTRCA Municipal Levy Adjustment (Wastewater and Treatment Budget)

Service Grouping: Wastewater & Treatment – Conservation Authorities

Tax Levy Revenue Impact (\$ Thousands)	2023 Approved Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Avg. \$ Increase/ Decrease	Avg. % Increase/ Decrease
Draft Budget as Released	\$2,590	\$3,191	\$3,486	\$3,591	\$3,721	\$283	9.8%
Amendment	N/A	-\$347	\$212	\$362	\$350	\$87	2.6%
Amended Draft Budget	\$2,590	\$2,844	\$3,698	\$3,953	\$4,071	\$370	12.4%

Subject to rounding.

### Summary of Draft Base Budget Amendment:

Changes from the draft base budget released reflect the UTRCA's updated draft operating budget. The expenditures and revenues have been refined primarily based on expenditures related to materials, supplies, and property expenses, as improved estimates have been received. 2023 year-end revenues have also improved previous estimates for deficits funded by reserves in 2024, while draws from reserves in 2025 to 2027 are projected to be reduced.

Additional Details:

Operating - Draft Budget as Released (\$ Thousands)

Upper Thames River Conservation Authority Operating Budget	2023 Approved Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Avg. \$ Increase/Decrease	Avg. % Increase/Decrease
Expenditure	\$2,590	\$3,191	\$3,486	\$3,591	\$3,721	\$283	9.8%
Non-Tax Levy Revenue	\$0	\$0	\$0	\$0	\$0	\$0	0%
Tax Levy Revenue	\$2,590	\$3,191	\$3,486	\$3,591	\$3,721	\$283	9.8%

Subject to rounding.

Operating - Amended Budget (\$ Thousands)

Upper Thames River Conservation Authority Operating Budget	2023 Approved Budget	2024 Budget	2025 Budget	2026 Budget	2027 Budget	Avg. \$ Increase/Decrease	Avg. % Increase/Decrease
Amended Expenditure	\$2,590	\$2,844	\$3,698	\$3,953	\$4,071	\$370	12.4%
Amended Non-Tax Levy Revenue	\$0	\$0	\$0	\$0	\$0	\$0	0%
Amended Tax Levy Revenue	\$2,590	\$2,844	\$3,698	\$3,953	\$4,071	\$370	12.4%

Subject to rounding.