

From: Chris Butler
Sent: Thursday, June 18, 2020 3:10 PM
To: SPPC <sppc@london.ca>
Cc: Saunders, Cathy
Subject: SPPC MTG - June 23 - Agenda Item 2.3 - C19 Financial Impact Update

Cathy - Please consider this submission as " Added Agenda " for posting and distribution with the SPPC for the upcoming June 23 MTG under agenda item 2.3 - C- 19 Financial Update .

Mayor Holder / Budget Lead Councilor Morgan & fellow Councilors

As a taxpayer , I'm encouraged by the progress our City Manager & City Treasurer / CFO and supporting teams have made since the last April 28 update , shrinking the OPS budget deficit into the \$ 11 to \$16 million annual range for this update. We all need to acknowledge that to achieve this , the low hanging fruit has been picked @ staffing adjustments , capital budget deferrals (only) and the reallocation of one time funding windfalls like OBCR and a minor portion of the 2020 Assessment Value Growth to the LTC.

I'm clear that our C-19 financial fire is still growing and shocked at the rate of increase attributed to Boards & Commissions and the Water - Sewer surcharges shortfalls I'll have to backstop as a taxpayer by year end.

Please consider the following at this meeting ;

- That there be a motion at this meeting to expand the deficit mitigation plans well prior to the September mid year Budget Update next step outlined in this report . The longer this Council waits to provide a clear lead to flatten the C-19 Financial Curve , the greater the shock and severity of the mitigation measures are likely to be.
- There is little to no information in this update which provides the Public or Council with a clear idea of which budget deficit sources are now systemic in the C-19 and medium term (1 - 2 years) new normal periods. This will severely impair Council & CFO strategic next steps. We should be targeting to fix the Financial damage once with an appropriate and measured response. EXAMPLE - Do we know how long the H2O & SEWER surcharges will be offside and the recovery forecast ? Why not ? This allows better focus on fee increase / OPS \$\$ adjustments or reserve fund allocation fixes. We clearly need forward forecasts from our ABC's and their renewed commitment to support their own deficit solutions.
- Lets not wait for a " Hail Mary " pass from the FEDS in some partnership @ the Provincial Government on our deficit bail out . If this occurs , this will likely be only target narrow areas which fit National Policy like transit & green . (NOT RBC Place & H2O)
- To reinforced an earlier submission (April 28 SPPC) , I'm just fine with Council reallocating the remaining balance of the 2020 Assessment Value Growth and / or " Council Special Initiatives Reserve Funds " to targeted C- 19 deficit challenges . Fix them once & get a written guarantee. Lets not tie our hands @ Financial practice & policy when were putting a fire out .

THXS - Chris Butler - 863 Waterloo St