



Tax Supported Budget

2021 ANNUAL UPDATE
DRAFT – NOVEMBER 17, 2020

london.ca/budget

Acknowledgment

The City of London aspires to be a diverse community which honours, welcomes, and accepts all peoples. We respectfully acknowledge that the City of London is located on the traditional territories of the Anishnaabeg, Haudenosaunee, Lunaapeewak, and Attawandron peoples, who have had longstanding relationships with the land and the region. The City of London also recognizes its relationships with the local First Nations Communities, including Chippewas of the Thames First Nation, Oneida Nation of the Thames, and Munsee Delaware Nation. We acknowledge the diverse histories, races, cultures, religions and ethnicities of those who call London home. The City of London values the significant contributions made by all Londoners.

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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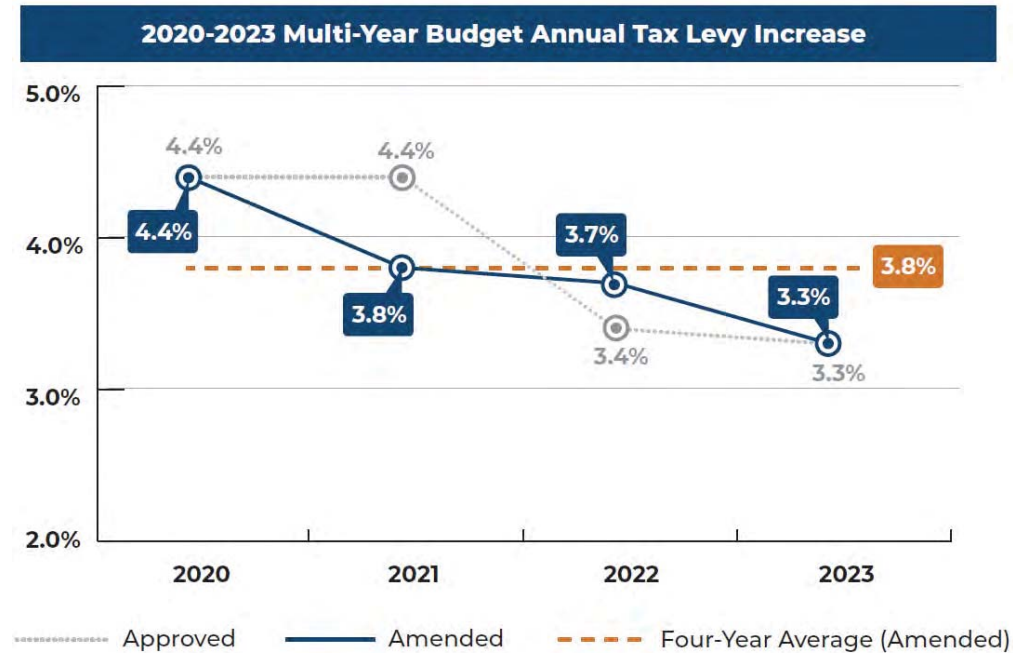
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Budget In Brief

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%.

The City of London is entering its first annual update to the 2020 to 2023 budget period. The budget document contains a total of eight budget amendments (six operating, two capital). Each of the eight budget amendments are being recommended by Civic Administration. The two capital amendments can be accommodated with the capital plan resulting in no impact to the tax levy. Five operating budget amendments result in a decrease to the tax levy, while one has no impact to the tax levy.

Should Municipal Council approve all of the recommended budget amendments, the 2021 increase from rates would decrease to 3.8% from the approved 4.4% increase while the four-year average annual increase is 3.8%. The graph below illustrates the revised increases from rates for the remainder of 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 (Continued)

Operating Net Budget Overview (\$ Thousands) 2021 Annual Update (As Recommended)

Operating Budget	2020 Net	2021 Net	2022 Net	2023 Net	2020 to 2023 Average % Increase/Decrease
Approved % Increase From Rates ¹	4.4%	4.4%	3.4%	3.3%	3.8%
Approved Budget	642,901	671,095	693,747	716,331	
Cumulative Amendment ²		-3,567	-1,278	-1,301	
Amended Budget	642,901	667,528	692,469	715,030	
Amended % Increase From Rates	4.4%	3.8%	3.7%	3.3%	3.8%

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. Cumulative Amendment reflects impacts of budget amendments as applicable.

Gross Operating Expenditure Budget Overview (\$ Thousands) 2021 Annual Update (As Recommended)

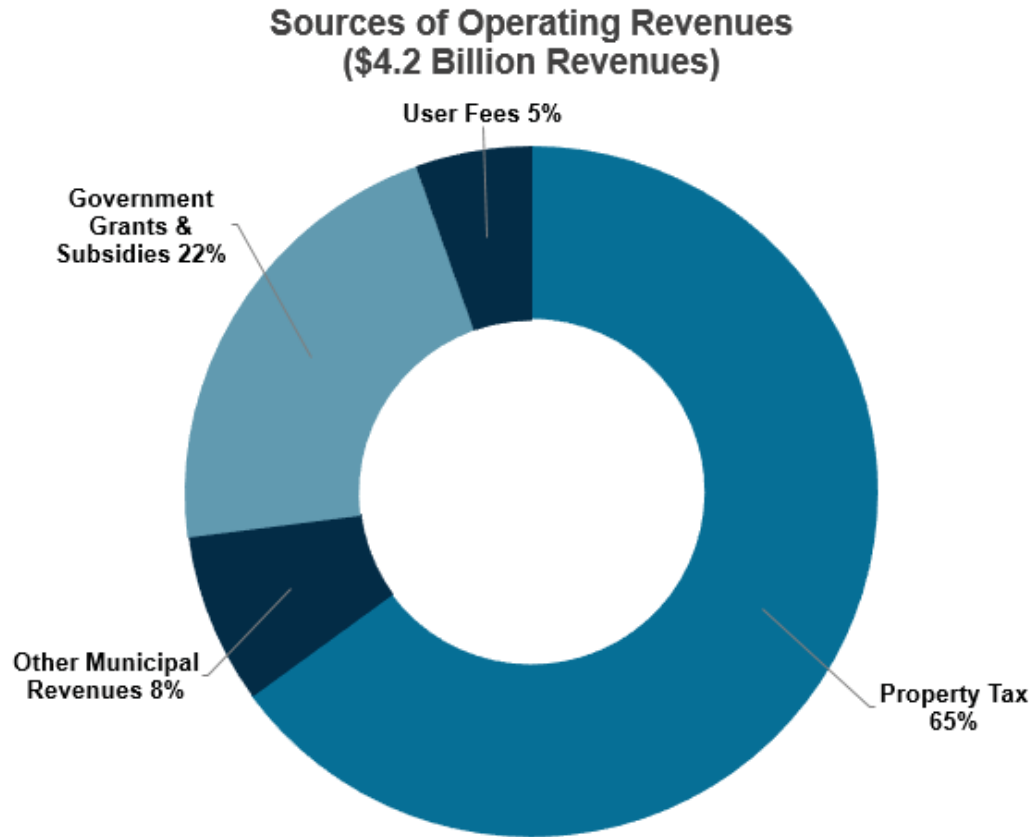
Total Operating Budget	2020 Expenditure	2021 Expenditure	2022 Expenditure	2023 Expenditure
Approved Budget	1,007,784	1,036,002	1,061,797	1,083,780
Cumulative Amendment ¹		-3,193	-724	-719
Amended Budget	1,007,784	1,032,810	1,061,073	1,083,061

Subject to rounding.

Notes

1. Cumulative Amendment reflects impacts of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

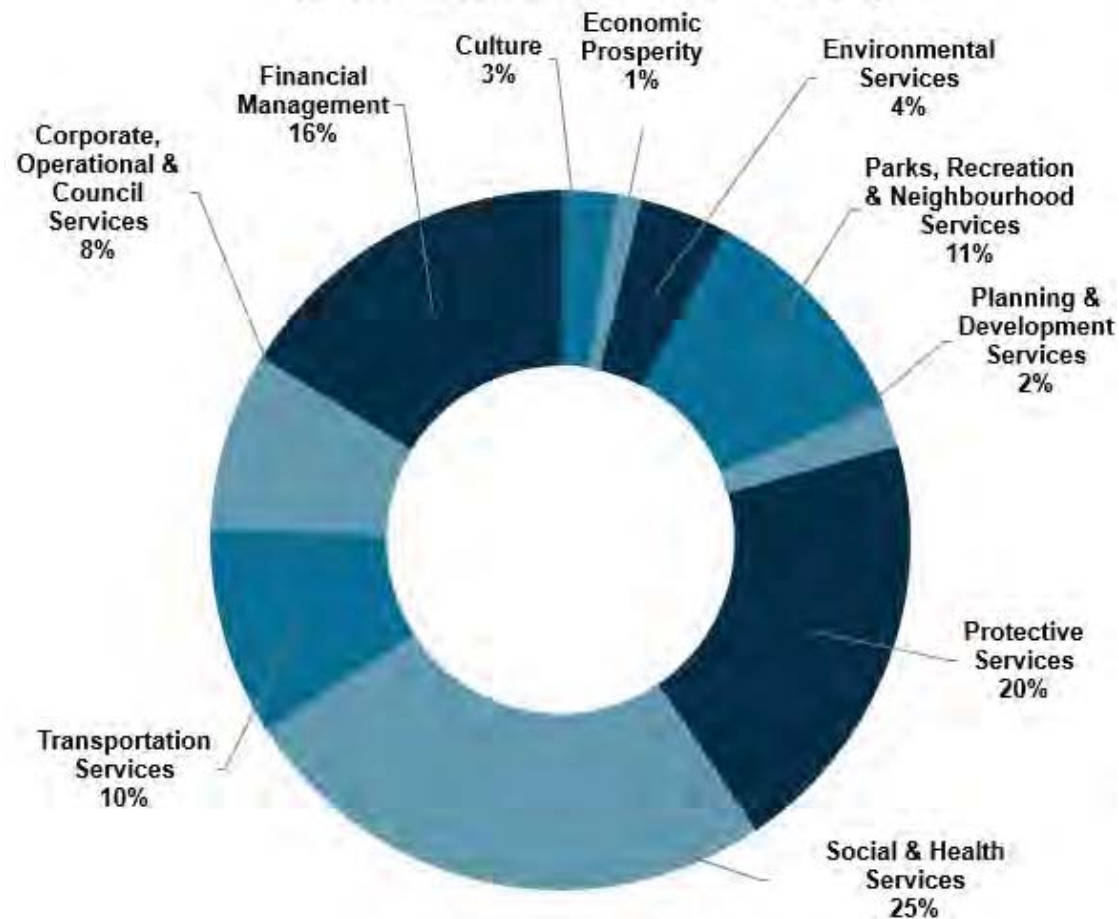
Total operating revenues in the 2020 to 2023 Multi-Year Budget are \$4.2 billion. As shown in the chart below, the largest source of revenue is property taxes which accounts for 65% of total revenues.



Note: Amounts reported include the impact of recommended 2021 budget amendments.

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 (\$4.2 Billion Expenditure)

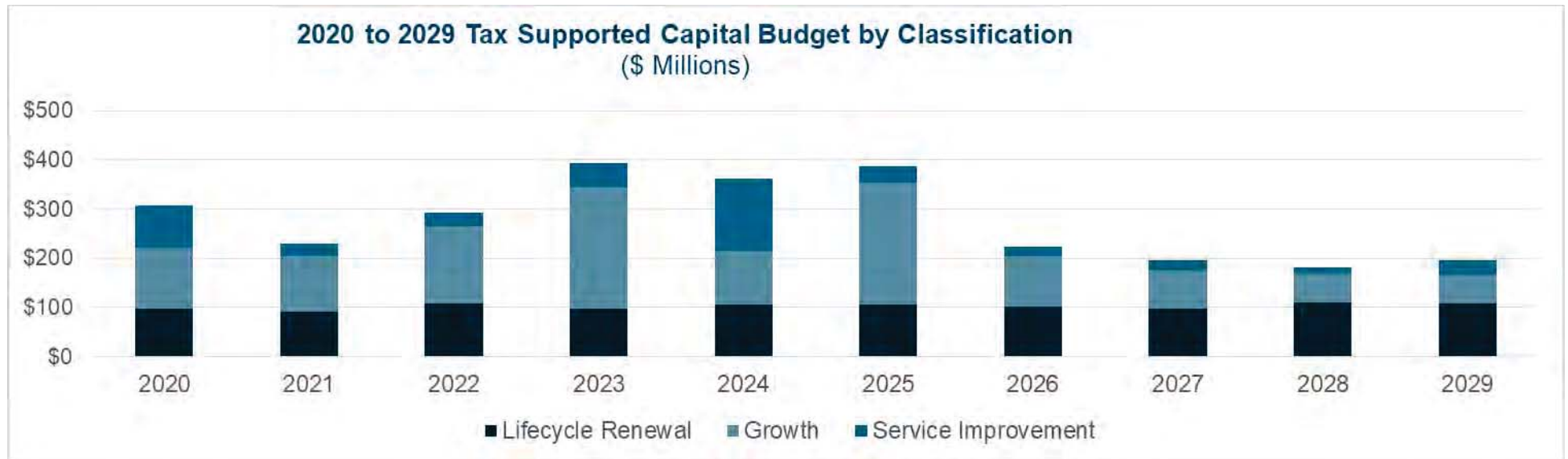


Note: Amounts reported include the impact of recommended 2021 budget amendments.

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	\$394	\$1,022
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.	\$639	\$1,294
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.	\$188	\$452
Total	\$1,221	\$2,768

Subject to rounding.



2020 to 2023 Average Daily Cost of Municipal Services

Average Daily Cost of Municipal Services: \$8.59¹

18% London Police Services	\$1.52 	4% Neighbourhood & Recreation Services	\$0.33 	2% Housing Services	\$0.15 	.5% Council Services	\$0.05 	.25% Conservation Authorities	\$0.02 
13% Capital Financing	\$1.07 	4% Garbage, Recycling & Composting	\$0.33 	1% Corporate Financing - Other	\$0.09 	.5% Housing Development Corporation	\$0.04 	.25% Animal Services	\$0.02 
10% Fire Services	\$0.86 	3% Land Ambulance	\$0.29 	1% Economic Development	\$0.08 	.33% Corporate Security & Emergency Management	\$0.04 	.25% Museum London	\$0.02 
9% Corporate Services	\$0.77 	3% Library Services	\$0.29 	1% Middlesex-London Health Unit	\$0.08 	.33% Public Support Services	\$0.04 	.25% All Other Areas	\$0.01 
7% Roadways	\$0.62 	3% Social & Community Support Services	\$0.27 	1% Long Term Care	\$0.08 	.33% Arts, Culture & Heritage Advisory & Funding	\$0.03 		
6% London Transit Commission	\$0.51 	2% Parks & Urban Forestry	\$0.18 	1% Development Services	\$0.07 	.25% Corporate Planning & Administration	\$0.03 		
5% Debt Servicing	\$0.44 	2% London & Middlesex Community Housing	\$0.17 	.5% Planning Services	\$0.06 	.25% 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 recommended 2021 budget amendments.

Budget Recommendations

Budget Amendments (amounts rounded to the nearest thousand)

- a) That the following 2020 to 2023 Multi-Year Budget amendment cases recommended by Civic Administration **BE APPROVED**;
- i. Budget Amendment Case #1 - RBC Place London - Promissory Note Forgiveness;
2021 to 2023 Total: Operating Expenditure -\$72,000; Net Levy \$0
 - ii. Budget Amendment Case #2 - RBC Place London - Revised Capital Plan;
2021 to 2023 Total: Capital Expenditure \$166,000; Net Levy \$0
 - iii. Budget Amendment Case #3 - Recycling and Composting - Repair of Material Recovery Facility Fire Suppressant System;
2021 to 2023 Total: Capital Expenditure \$800,000; Net Levy \$0
 - iv. Budget Amendment Case #4 - Children's Services - Reduction in Required Investment in 2021 Due to Impacts of COVID-19;
2021 to 2023 Total: Operating Expenditure -\$1,630,000; Net Levy -\$1,630,000
 - v. Budget Amendment Case #5 - Middlesex-London Health Unit - Increased Funding by the Ministry of Health in 2021;
2021 to 2023 Total: Operating Expenditure -\$610,000; Net Levy -\$610,000
 - vi. Budget Amendment Case #6 - Ontario Works - Reduction in Investment in 2021 in Connection with Impacts of COVID-19 Pandemic;
2021 to 2023 Total: Operating Expenditure -\$425,000; Net Levy -\$425,000
 - vii. Budget Amendment Case #7 - Corporate Services - Administrative Recoveries from Water, Wastewater and Treatment and Joint Water Boards;
2021 to 2023 Total: Operating Expenditure -\$0; Net Levy -\$1,582,000
 - viii. Budget Amendment Case #8 - Other Related Financing - Reduction to Corporate Contingency Budget;
2020 to 2023 Total: Operating Expenditure -\$1,900,000; Net Levy -\$1,900,000

Other Budget Recommendations

- b) That the Reserves and Reserve Funds Overview **BE RECEIVED**; it being noted projections are subject to annual review and adjustment (Appendix C, page 44).
- c) That the Debt Overview (Appendix D, Page 52) **BE RECEIVED** for information.
- d) That the reconciliation of the tabled budget to the Public Sector Accounting Board financial statement budget **BE RECEIVED** for information (Appendix E, page 57).

- e) That, in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the following actions be taken with respect to the operating budget (Appendix A, page 25):
- a. The revised 2021 tax levy **BE READOPTED** in the net amount of \$TBD after recognizing \$TBD of increased taxation from assessment growth; and 2021 gross expenditures equal to \$TBD.
 - b. The revised 2022 to 2023 forecasted tax levy **BE READPOTED** in the gross amount of \$TBD and the net amount of \$TBD.
- f) That, in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the following actions be taken with respect to the capital budget (Appendix B, page 39):
- i. The amended 2021 capital budget **BE READOPTED** in the amount of \$TBD.
 - ii. The amended 2022 capital budget **BE READOPTED** in the amount of \$TBD
 - iii. The amended 2023 capital budget **BE READOPTED** in the amount of \$TBD.
 - iv. The amended 2024-2029 capital forecast **BE APPROVED** in principle the amount of \$TBD.
- g) That Civic Administration **BE DIRECTED** to bring forward any necessary by-laws regarding tax levy, the operating and capital budgets for introduction at Municipal Council.

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 (prior to assessment growth). 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 net 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%. Appendix F contains a detailed and itemized breakdown of the business cases approved as part of the 2020 to 2023 Multi-Year Budget and their impacts.

Net Base Budget (Maintain Existing Service Levels)	Net Levy Reductions	Additional Investments	2020 to 2023 Average Levy Increase
3.0%	-0.2%	1.1%	3.9%

The total 2020 to 2023 increased cost of municipal services for an average taxpayer was approved at \$117. This is comprised of an average annual increase of \$90 for the base budget, an average annual net levy reduction of \$5 for business cases for net levy reductions, and an average annual increase of \$32 for additional investment business cases.

Additional Cost for Budget to Maintain Existing Service Levels	Business Cases for Net Levy Reductions	Business Cases for Additional Investment	2020 to 2023 Average Increased Tax Payer Cost ¹
\$90	-\$5	\$32	\$117

Note 1. The average annual cost of municipal services is calculated based on the average assessed value of \$241,000 for a residential property. This excludes the education tax portion and impacts of tax policy.

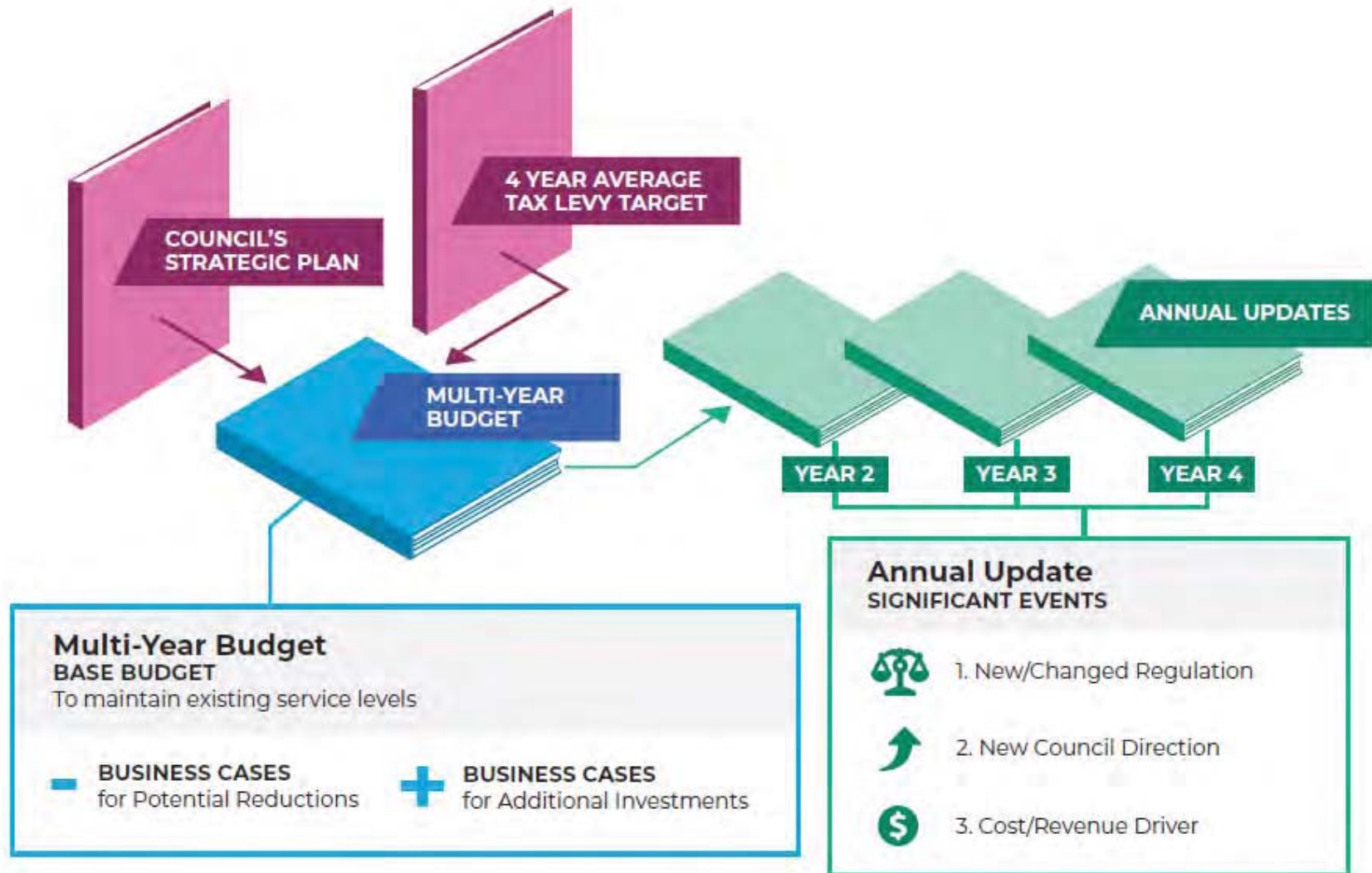
In addition to the operating budget, Municipal Council also approved a 2020 to 2023 Multi-Year Capital Budget totalling \$1.2 billion as well as approving in principle a six year forecast resulting in a ten year capital plan (2020 to 2029) of approximately \$2.8 billion.

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.

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 years 2021 to 2023 of the current Multi-Year Budget are being 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 result in economic conditions

Each budget amendment that has an impact on the remaining years of the Multi-Year Budget (2021 to 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.

2021 Annual Budget Update

COVID-19 Pandemic

COVID-19 has caused unprecedented interruption to the daily activities of individuals, businesses and institutions around the world. The City of London, along with municipalities across the country, have experienced significant financial consequences, and there remains considerable uncertainty in the foreseeable future. Based on forecasts included in the City's 2020 Mid-Year Operating Budget Monitoring Report, total projected COVID-19 related financial impacts to the 2020 Property Tax Supported Budget are estimated to be in excess of \$68 million. As a result, various measures were implemented in order to mitigate the financial impacts of COVID-19. Some of the actions taken to mitigate the financial pressures caused by COVID-19 include:

- The delivery of essential and vital services, and the adjustment of those services in response to the reopening of Ontario;
- Balancing service levels with fiscal pressures;
- The deferral of a portion of 2020 capital projects;
- Adjustments to capital budget funding sources;
- The deferral of certain 2020 additional investments approved during the 2020 to 2023 Multi-Year Budget;

As part of the mitigating measures implemented, Civic Administration reviewed approved 2020 capital projects to determine which projects could be deferred beyond this year with minimal adverse community impacts, being mindful of the important recovery role that construction projects can play. Civic Administration also reviewed all reserve funds with tax supported contributions to identify those with the ability to absorb a one-year reduction to the contribution.

From this exercise, Civic Administration recommended, and Municipal Council approved, \$3.5 million of capital projects that could be deferred in 2020 and a further \$2.2 million of 2020 additional investments that were deferred with both operating and capital impacts.

On July 27, 2020, the Government of Ontario announced details of the Federal-Provincial Safe Restart Agreement, under which the City of London was allocated a total of \$40.5 million to support COVID-19 municipal operating and transit costs and pressures. Under Phase 1, \$22.0 million was allocated for general municipal operating pressures and \$18.5 million was allocated to support municipal transit pressures.

In recognition of the Safe Restart Agreement allocation, on September 22, 2020, Council approved Civic Administration's recommendation to reinstate \$1.12 million of the capital project deferrals, as well as \$1.17 million of the additional investment deferrals. In addition, \$5 million has been placed in the Economic Development Reserve Fund to support social and economic recovery measures. Pending the Corporation's year-end position, funds will also be placed in the Operating Budget Contingency Reserve to be used as a funding source to offset anticipated financial impacts of COVID-19 on the City's 2021 budget.

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). It is anticipated that COVID-19 impacts will persist into 2021 and beyond. Civic Administration will continue to actively assess these impacts after budget approval and will continue to report to Municipal Council with any further adjustments to the Multi-Year Budget, as needed. The 2021 Annual Update avoids any premature budget changes, pending further information on COVID-19 impacts that may be more permanent in nature. These will be considered through future Annual Budget Update processes. In the meantime, Civic Administration intends to utilize a variety of strategies as necessary to mitigate COVID-19 financial impacts in 2021, including but not limited to:

- Temporary adjustments to service levels;
- Deferral of capital projects and/or adjustments to capital project sources of financing;
- Strategic one-time draws from reserves and reserve funds to mitigate temporary, one-time impacts;
- Continued advocacy for federal and provincial government support for COVID-19 related financial pressures.

Civic Administration will actively monitor the Corporation's 2021 financial position and will report to Council with recommended strategies (inclusive of those outlined above) to address budgetary pressures.



2021 Annual Budget Update (Continued)

In light of the financial impacts and significant 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 2021 Annual Budget Update process. The following principles were established:

Operating Budget:

All civic service areas and agencies, boards and commissions (ABC's) were required to remain within their 2021 operating budget allocation approved during the 2020 to 2023 Multi-Year Budget. Only budget amendments resulting in net budget reductions were to be included in the 2021 Annual Budget Update for Municipal Council's consideration. If a civic service area or ABC believed they required an increase to their 2021 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. Increases to 2022 or 2023 budgets were not to be considered in the 2021 Annual Budget Update.

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; and
- Budget amendments resulting in an increase to the 10 year capital with no tax levy impact and advanced approval from the City Treasurer.

Review of the 2021 Budget Amendments with an Equity and Inclusion and Gender Equity Lens

At the September 22, 2020 meeting of the Strategic Priorities and Policy Committee (and subsequently endorsed by Municipal Council), Civic Administration recommended the development of a new Anti-Racism and Anti-Oppression Lens. As an interim step, while the new Anti-Racism and Anti-Oppression Lens is being built, the 2021 Budget Update would be reviewed by the Anti-Racism and Anti-Oppression Internal Working Group using the existing Equity and Inclusion Handbook and Gender Equity Lens.

As the Anti-Racism and Anti-Oppression Working Group examined the proposed budget amendments, systemic racism and oppression were considered. Systemic racism and oppression refers to organizational culture, policies, directives, practices or procedures that exclude, displace or marginalize some racialized groups or create unfair barriers for them to access valuable benefits and opportunities. This is often the result of institutional biases in organizational culture, policies, directives, practices, and procedures that may appear neutral but have the effect of privileging some groups and disadvantaging others. Each budget amendment includes details on the results of the review completed by the Anti-Racism and Anti-Oppression Internal Working Group.

The following overall findings and recommendations were noted by the Anti-Racism and Anti-Oppression Working Group:

- Anti-racism and anti-oppression should be considered at the outset and inform the development and delivery of all programs and services. For example, going forward, the Anti-Racism and Anti-Oppression Lens should be applied when the Child Care and Early Years Plan is being developed. This Plan informs funding, program and service design (when child care centres are built, where they are built, who can access the service, ensuring the cultural safety, inclusivity, etc.).
- The Anti-Racism and Anti-Oppression Lens should be used by all service areas and all employees.
- The new Anti-Racism and Anti-Oppression Lens should be applied to all aspects of the budgeting process, beginning with Business Plans, which are intended to define service expectations, drivers, and metrics. It should also be incorporated into the Multi-Year Budget process and subsequent annual updates. While the Budget team must actively use the Lens, service areas have a responsibility to apply the Lens to any and all submissions to the corporate budgeting process.
- The limited use and availability of disaggregated data makes it difficult to assess the impacts (both positive and negative) associated with proposed budget amendments. Disaggregated data – smaller units of data within a larger, aggregated data sets – must be available and applied to the extent possible.
- The application of the Anti-Racism and Anti-Oppression Lens should be evident and consistent. Consideration should be given to embedding a tool / statement into the various budget and financial templates.
- It is important to make sure plain language is used in all documents. Everyone benefits from and prefers plain language. It makes documents, law and policy straightforward to read and understand. It also encourages more informed public participation in the budgeting process.
- The application of a climate lens may also provide additional perspective about the impact of budget decisions on equity seeking groups and therefore should be used going forward.
- All documentation should be Web Content Accessibility Guidelines (WCAG) 2.0 AA Standard compliant.

It is recognized that much work still needs to be done to fully incorporate the Anti-Racism and Anti-Oppression Lens in the City's Multi-Year Budget process. The additions included in the 2021 Budget Update are intended to reflect the first step along this journey. The

intention is to utilize a continuous improvement approach to incrementally enhance the integration of the Anti-Racism and Anti-Oppression Lens in the City's budget processes. Future enhancements will include the expansion of the Lens to other components of the budget (e.g. service areas' base budgets, business plans, business cases for additional investments/disinvestments, etc.), utilization of enhanced screening tools (e.g. the new Anti-Racism and Anti-Oppression Lens currently being developed) as they are rolled out, etc. Additionally, the application of additional lenses will also be incorporated in future budget processes as those lenses are developed (e.g. application of Climate Emergency Screening Tool (CEST) to enhance the climate lens in the budget process).

Budget Amendments

There are six operating budget amendments being recommended by Civic Administration. Should Municipal Council choose to approve all of the recommended budget amendments, the 2021 annual tax levy increase would decrease from 4.4% to 3.8%.

In addition, there are two capital budget amendments with an identified source of financing resulting in no impact to the tax levy.



Budget Amendment Summary

Budget Amendment Summary (\$ Thousands)	2021 Tax Levy Impact	2022 Tax Levy Impact	2023 Tax Levy Impact
Case #1 (Operating): RBC Place London - Promissory Note Forgiveness	0	0	0
Case #2 (Capital): RBC Place London - Revised Capital Plan	0	0	0
Case #3 (Capital): Recycling and Composting - Repair of Material Recovery Facility Fire Suppressant System	0	0	0
Case #4 (Operating): Children's Services - Reduction in Required Investment in 2021 Due to Impacts of COVID-19	-1,630	0	0
Case #5 (Operating): Middlesex-London Health Unit - Increased Funding by the Ministry of Health in 2021	-610	0	0
Case #6 (Operating): Ontario Works - Reduction in Investment in 2021 in Connection with Impacts of COVID-19 Pandemic	-425	0	0
Case #7 (Operating): Corporate Services - Administrative Recoveries from Water, Wastewater and Treatment and Joint Water Boards	-403	-578	-601
Case #8 (Operating): Other Related Financing - Reduction to Corporate Contingency Budget	-500	-700	-700
Annual Net Tax Levy Impact	-3,567	-1,278	-1,301

Subject to rounding.

Operating Budget Amendment Summaries

A summary of all submitted operating budget amendments are listed below. For further details, please refer to the budget amendment business cases (Appendix G).

Budget Amendment Case #1: Cost Driver

RBC Place London – Promissory Note Forgiveness

Operating Budget Amendment (\$ Thousands)	2021	2022	2023
Expenditure	-28	-24	-19
Revenue	28	24	19
Annual Net Tax Levy Impact	0	0	0

Subject to rounding.

Description:

At the June 29, 2020 City of London Municipal Council meeting, RBC Place London requested and was approved for a deferral of the 2020 payment extending the Promissory Note terms from a maturity of August 1, 2026 to August 1, 2027. RBC Place London has been facing extraordinary financial challenges as a result of COVID-19 and will, therefore, not have the ability to pay future annual instalments for this promissory note and is seeking the City of London's forgiveness of the loan. This budget amendment would not have a tax levy impact; however, it would reduce the expected future inflows into the Efficiency, Effectiveness, and Economy (EEE) Reserve. The budgeted repayment in RBC Place London's budget would be repurposed to replace and rebuild reserves including the capital reserve held by the City of London.

Budget Amendment Case #4: Cost Driver

Children's Services - Reduction in Required Investment in 2021 Due to Impacts of COVID-19

Operating Budget Amendment (\$ Thousands)	2021	2022	2023
Expenditure	-1,630	0	0
Revenue	0	0	0
Annual Net Tax Levy Impact	-1,630	0	0

Subject to rounding.

Description:

During 2020 to 2023 Multi-Year Budget development it was anticipated that additional child care centres would be built and necessitate additional funding to support the ongoing fee subsidy costs as a result of additional spaces. With the onset of the COVID-19 pandemic the expected new child care centres have been delayed and therefore the required funding will not be necessary in 2021.

Budget Amendment Case #5: Revenue Driver

Middlesex-London Health Unit - Increased Funding by the Ministry of Health in 2021

Operating Budget Amendment (\$ Thousands)	2021	2022	2023
Expenditure	-610	0	0
Revenue	0	0	0
Annual Net Tax Levy Impact	-610	0	0

Subject to rounding.

Description:

The Minister of Health recently announced that additional mitigation funding is available to fully offset increased costs to municipalities to support the municipal share of public health funding introduced in 2020. These increases allow municipal funding to be capped at 0% providing full mitigation funding in 2020 and 2021.

Budget Amendment Case #6: Cost Driver

Ontario Works - Reduction in Investment in 2021 in Connection with Impacts of COVID-19 Pandemic

Operating Budget Amendment (\$ Thousands)	2021	2022	2023
Expenditure	-425	0	0
Revenue	0	0	0
Annual Net Tax Levy Impact	-425	0	0

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 that resulted in the Province capping all municipalities at 2018 levels. One notable increase was related to the cost of employment related expenses to cover a rate increase in bus passes essential for participation in employment activities and to address existing demand in services. With the onset of COVID-19 pandemic and associated recovery benefits from the Government of Canada, the Ontario Works program has experienced a decrease in employment related expenses, and anticipates this reduction to continue in 2021.

Budget Amendment Case #7: Revenue Driver

Corporate Services - Administrative Recoveries from Water, Wastewater and Treatment and Joint Water Boards

Operating Budget Amendment (\$ Thousands)	2021	2022	2023
Expenditure	0	0	0
Revenue	-403	-578	-601
Annual Net Tax Levy Impact	-403	-578	-601

Subject to rounding.

Description:

As a result of an internal service review that was undertaken of administrative expense recoveries, it was determined that the recoveries in the tax supported services should be increased to reflect the actual costs incurred in the property tax supported budget to support the Water, Wastewater and Treatment and Joint Water Board budgets service areas. These adjustments were reflected in last year's Water, Wastewater and Joint Water Board budgets but due to timing issues were not reflected in the property tax supported budget at that time.

Budget Amendment Case #8: Cost Driver

Other Related Financing - Reduction to Corporate Contingency Budget

Operating Budget Amendment	2021	2022	2023
Expenditure	-500	-700	-700
Revenue	0	0	0
Annual Net Tax Levy Impact	-500	-700	-700

Subject to rounding.

Description

Based on a recent review of the contingency budget, Civic Administration is recommending a reduction to the approved contingency budget. This budget amendment is based on expenses that have been incurred as well as anticipated future expenditures.

Operating Summary

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

Operating Budget	2020 Net	2021 Net	2022 Net	2023 Net
Approved % Increase From Rates ¹	4.4%	4.4%	3.4%	3.3%
Approved Budget	642,901	671,095	693,747	716,331
Cumulative Amendment ²		-3,567	-1,278	-1,301
Amended Budget	642,901	667,528	692,469	715,030
Incremental Increase/ Decrease		-3,567	2,289	-23
Amended % Increase From Rates	4.4%	3.8%	3.7%	3.3%

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. Cumulative Amendment reflects impacts of budget amendments as applicable.

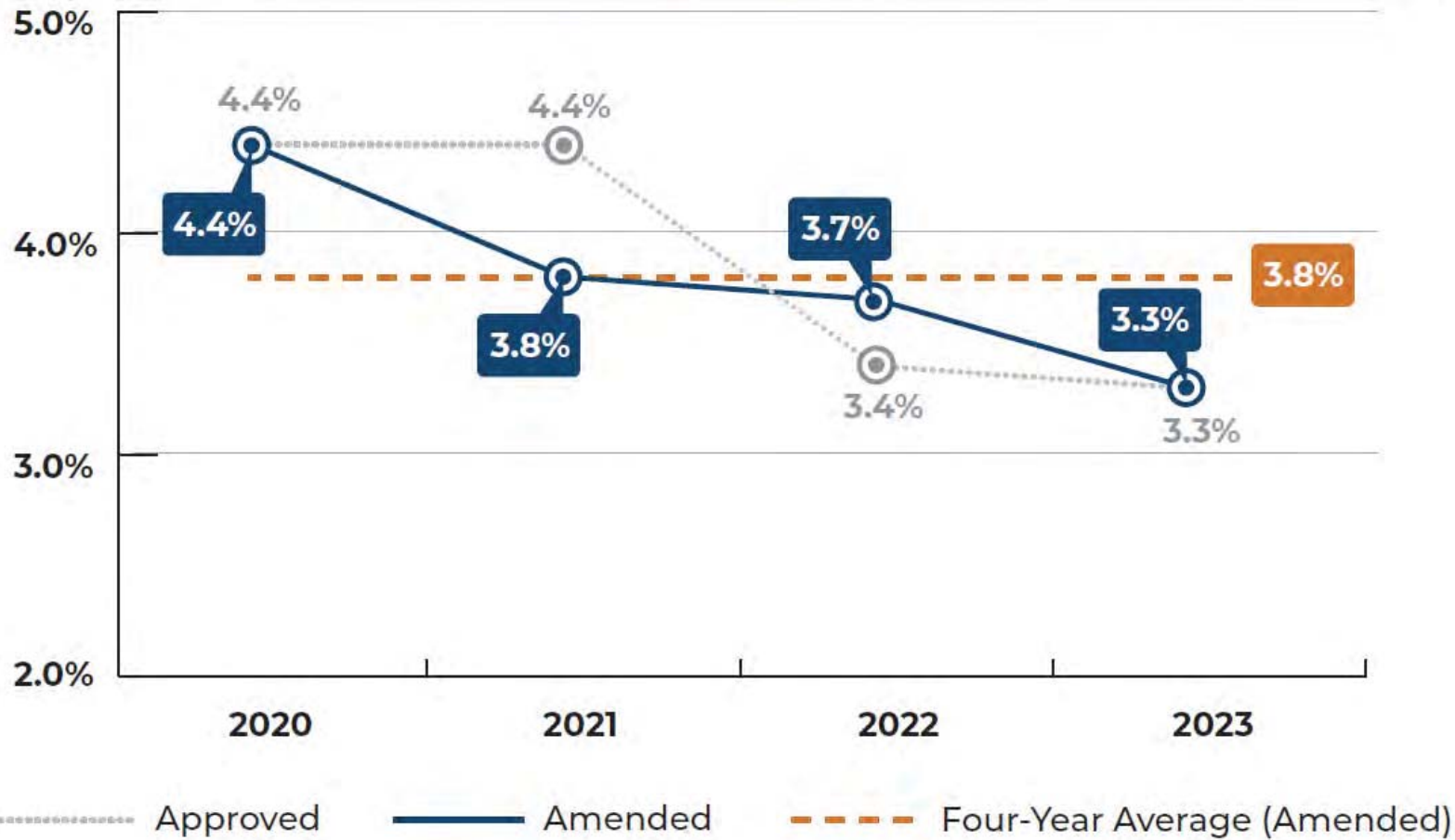
2020 to 2023 Multi-Year Operating Budget Increase from rates (As Recommended)

Operating Budget	2020 to 2023 Average % Increase/ Decrease	2020 to 2023 Average Increased Tax Payer Cost ¹
Approved % Increase From Rates	3.8%	\$116
Amended % Increase From Rates	3.8%	\$114

Subject to rounding.

Note 1. Average residential property with an assessed value of \$241,000 in 2019 (excludes Education tax portion, notwithstanding impacts of tax policy).

2020-2023 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.

Further Budget Reductions

In contemplating possible further reductions to the 2021 budget, Municipal Council should take into consideration a number of the City's key financial principles, including:

- One-time funding is appropriate to fund one-time costs, but should not be used to implement permanent programs with ongoing costs;
- Alternate sources of revenue should be considered to cover only those expenses that are linked to them, to ensure that this funding is not required to support other expenses in the event that the funding is reduced or eliminated;
- Municipal Council should avoid taking on services/programs where there is pressure to “fill in” for services/programs that are generally the responsibility of other levels of government;
- When considering new initiatives, consider the total cost of the initiative (both one-time and ongoing operating costs), cash flow requirements and benefits to the community;
- Avoid taking on more/new services without considering long-term exit strategies;
- The City of London should determine its own capital priorities. New infrastructure programs introduced by the federal and provincial governments should be assessed relative to the capital needs and priorities of the City and ability to fund these initiatives;
- Ensure that reserves and reserve funds are kept at an adequate level to ensure the Corporation maintains sufficient liquidity; and
- Debt is appropriate for certain large-scale growth and service improvement capital projects, but should generally be avoided for lifecycle renewal projects.

In assessing potential budget reductions, Municipal Council should also be mindful of some of the COVID-19 response and recovery principles:

- The need to continue to deliver essential and vital services, and adjust those services to comply with Provincial orders and social distancing requirements;
- Balance service levels with fiscal pressures;
- Prioritize service delivery supporting economic recovery and for those most vulnerable;
- Take temporary and one-time actions to address pressures to minimize long term impacts; and,
- Minimize impact on strategic priorities.

The following graphic illustrates the step-by-step approach Civic Administration recommends in the event that Municipal Council wishes to further reduce the 2021 budget. This approach essentially represents the inverse of the approach utilized by Municipal Council to review the 2020 to 2023 Multi-Year Budget. For further details on the decision points and associated cases of this step-by-step approach, please refer to Appendix H.

Step 1:

Review and approve any budget reductions proposed by Civic Administration



Step 2:

Review approved "For Consideration" 2020 to 2023 Additional Investment Business Cases that have a tax levy impact



Step 3:

Review approved "Administratively Prioritized" 2020 to 2023 Additional Investment Business Cases that have a tax levy impact



Step 4:

Review approved "Provincial Impacts" for potential re-consideration



Step 5:

If Council wishes to make further reductions, direction should be provided regarding the specific area(s) to be reviewed.

Capital Summary

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

Capital Budget Summary (\$ Thousands)

Property Tax Support Capital Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	307,014	228,705	291,417	393,039	1,220,175	1,547,594	2,767,769
Total Amended Budget	307,014	229,419	291,668	393,039	1,221,141	1,546,794	2,767,935
Total Amended Budget Increase/Decrease	0	715	251	0	966	-800	166
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	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	85	-251	0	-166	0	-166
Other (O)	0	0	0	0	0	0	0
Non-tax Supported (NTS)	0	-800	0	0	-800	800	0
Total Source of Financing Increase/Decrease	0	-715	-251	0	-966	800	-166
Net Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Note: Approved figures include Housekeeping adjustments, assessment growth and changes made by the 2021 DC 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	96,587	89,694	108,510	98,213	393,004	628,457	1,021,461
Lifecycle Renewal Total Amended Budget	96,587	90,409	108,761	98,213	393,969	627,657	1,021,627
Lifecycle Renewal Increase/Decrease	0	715	251	0	966	-800	166
Growth Total Budget	123,874	113,494	155,870	246,274	639,512	654,313	1,293,825
Growth Total Amended Budget	123,874	113,494	155,870	246,274	639,512	654,313	1,293,825
Growth Increase/Decrease	0	0	0	0	0	0	0
Service Improvement Total Budget	86,553	25,517	27,037	48,553	187,660	264,824	452,484
Service Improvement Total Amended Budget	86,553	25,517	27,037	48,553	187,660	264,824	452,484
Service Improvement Increase/Decrease	0	0	0	0	0	0	0
Total Amended Budget Increase/Decrease	0	715	251	0	966	-800	166

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	96,587	89,694	108,510	98,213	393,004	628,457	1,021,461
Total Amended Budget	96,587	90,409	108,761	98,213	393,969	627,657	1,021,627
Total Amended Budget Increase/Decrease	0	715	251	0	966	-800	166
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	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	85	-251	0	-166	0	-166
Other (O)	0	0	0	0	0	0	0
Non-tax Supported (NTS)	0	-800	0	0	-800	800	0
Total Source of Financing Increase/Decrease	0	-715	-251	0	-966	800	-166
Net Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Capital Budget Amendment Summaries

A summary of all submitted capital budget amendments are listed below. For further details, please refer to the Annual Budget Update Amendment Cases (Appendix G).

Budget Amendment Case #2: Cost Driver

RBC Place London – Revised Capital Plan

RBC Place London Repairs	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	-85	251	0	166	0	166
Source of Financing: RBC Place London Renewal Reserve Fund	0	85	-251	0	-166	0	-166
Net Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

The COVID-19 situation and resulting State of Emergency declared by governments cancelling all gatherings and requiring the closure of public assembly facilities devastated RBC Place London. Total revenue for 2020 is forecasted to be down (73.0%) from budget with a potential three to five year recovery period. As a result RBC Place London has re-evaluated its ability to contribute to the capital reserve held by the City and planned contributions have been adjusted accordingly. During the first quarter of 2020, a building assessment study was completed. RBC Place London has now revised its twenty year capital plan and specifically the immediate nine years, delaying some capital projects as appropriate and adjusting the schedule to reflect the recommendations of the building assessment report and limited contributions from the annual operating budget.

Budget Amendment Case #3: Cost Driver

Recycling and Composting – Repair of Material Recovery Facility Fire Suppressant System

Material Recovery Facility Fire Suppressant System	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	800	0	0	800	-800	0
Source of Financing: Material Recovery Facility Renewal Reserve Fund	0	-800	0	0	-800	800	0
Net Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

Unplanned repairs to the existing fire suppressant system at the Material Recovery Facility are required. The existing system is reaching the end of its useful life faster than anticipated as a result of having to use onsite storm water management pond water to provide the required firefighting flows and system pressure. The repairs will address the early deterioration of the system and address the water quality issues.

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	123,874	113,494	155,870	246,274	639,512	654,313	1,293,825
Total Amended Budget	123,874	113,494	155,870	246,274	639,512	654,313	1,293,825
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 Levy (CL)	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-tax Supported (NTS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	0	0	0	0	0
Net Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

2021 Development Charges Background Study Update

The interim development charges update was initiated in response to legislative changes made to the Development Charges Act through Bill 108 that came into force and effect on January 1, 2020; just prior to the approval of the 2020 to 2023 Multi-Year Budget. The draft 2021 Development Charges Background Study Update and By-law were tabled on July 14, 2020 and subsequently approved by Municipal Council on October 27, 2020.

As a result, amended growth capital budgets are included the City's growth capital plan. No further changes are recommended through the 2021 Annual Budget Update process.

The next comprehensive Development Charges Background Study is planned for 2024; taking effect on January 1, 2025.

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	86,553	25,517	27,037	48,553	187,660	264,824	452,484
Total Amended Budget	86,553	25,517	27,037	48,553	187,660	264,824	452,484
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 Levy (CL)	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-tax Supported (NTS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	0	0	0	0	0
Net Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Capital Plan: Infrastructure Funding

Infrastructure Funding

In early 2019, the Government of Canada announced the Investing in Canada Infrastructure Program (ICIP), a cost-shared infrastructure funding program between the federal government, provinces and territories, and municipalities and other recipients. This program included two streams applicable for the City of London: 1) the Public Transit Stream (PTS), and 2) the Community, Culture and Recreation Stream.

Public Transit Stream (PTS)

The City of London was approved for ten transit projects under this program, including three of the five Rapid Transit corridors. The ten projects have a total project cost of \$375 million, with \$103.1 million from the Government of Ontario, \$123.8 million from the Government of Canada with the balance of funding, approximately \$148 million, coming from municipal and other sources.

These ten projects are reflected in the 2020 to 2029 Capital Plan:

1. Downtown Loop (RTDOWNTOWN)
2. East London Link (RTEAST)
3. Wellington Gateway (RTSOUTH)
4. Expansion Buses (MU1176)
5. Bus Stop Amenities (MU1438)
6. Intelligent Traffic Signals (TIMMS)
7. Adelaide Street Underpass Active Transportation Connections (TS1306)
8. Dundas Place Thames Valley Parkway Active Transportation Connection (TS1748)
9. Dundas Street Old East Village Streetscape Improvements (TS1749)
10. Oxford Street / Wharncliffe Road Intersection Improvements (TS1333)

Many of the projects, all part of the City's Transportation Master Plan, are shovel-ready and construction commenced for some in 2020.

The remaining two Rapid Transit corridors, although not yet submitted for funding, are included in the 2020 to 2023 Multi-Year Budget and associated forecasts in order to align with the approved 2019 Development Charges (DC) Background Study and the 2021 DC Background Study Update, noting that these projects still require Municipal Council approval to proceed. They require \$119.3 million of federal and provincial funding. Approximately \$151 million of other government funding allocated to London remains available to support future discussions regarding all transit projects that would meet the ICIP-PTS program requirements.

Community, Culture and Recreation Stream

This stream supports community infrastructure priorities across the province. The City of London submitted applications for seven projects totalling \$54.6 million, with \$40.0 million requested to come from the federal and provincial governments. These projects were consistent with needs identified in the recently adopted Parks and Recreation Master Plan and the Corporate Asset Management Plan.

COVID-19 Community Resilience Stream

On August 5, 2020, the Government of Canada announced a new funding program to help with social and economic recovery from the health and economic crisis brought on by COVID-19. Funding previously set aside for the Green Infrastructure Stream under the Investing in Canada Infrastructure Program was reallocated to provide municipalities with funding to act quickly on pandemic-resilient infrastructure priorities. This new stream will provide \$1.05 billion in combined federal and provincial government funding for Ontario's 444 municipalities.

On October 29, 2020, the Government of Ontario announced that London's allocation under the COVID-19 Resilience Infrastructure Stream is \$5,520,798. The project intake process for the new COVID-19 Resilience Infrastructure Stream is expected to open in the near future. Program criteria restricts funding to the following types of infrastructure projects:

- Community, recreation, health and education renovations (e.g. retrofits, repairs or upgrades to long-term care homes, publicly funded schools and co-located childcare centre facilities, recreation centres or shelters);
- COVID-19 response infrastructure (e.g. heating, ventilation, air-conditioning, new builds or renovations to enable physical distancing);
- Active transportation (e.g. parks, trails); and
- Disaster mitigation, adaptation, or remediation (e.g. flood mitigation).

The Government of Canada will contribute 80% of project costs with 20% of project costs covered by the Government of Ontario. Municipalities are not required to match any percentage of funding for this program. Construction must start no later than September 30, 2021 and the projects must be completed by the end of 2021.

Appendix A - Operating Budget Overview

Operating Net Budget Overview (\$ Thousands)

2021 Annual Update (As Recommended)

Operating Budget	2020 Net	2021 Net	2022 Net	2023 Net	2020 to 2023 Average % Increase/Decrease
Approved % Increase From Rates ¹	4.4%	4.4%	3.4%	3.3%	3.8%
Approved Budget	642,901	671,095	693,747	716,331	
Cumulative Amendment ²		-3,567	-1,278	-1,301	
Amended Budget	642,901	667,528	692,469	715,030	
Amended % Increase From Rates	4.4%	3.8%	3.7%	3.3%	3.8%

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. Cumulative Amendment reflects impacts of all budget amendments as applicable.

Gross Operating Expenditure Budget Overview (\$ Thousands)

2021 Annual Update (As Recommended)

Total Operating Budget	2020 Expenditure	2021 Expenditure	2022 Expenditure	2023 Expenditure
Approved Budget	1,007,784	1,036,002	1,061,797	1,083,780
Cumulative Amendment ¹		-3,193	-724	-719
Amended Budget	1,007,784	1,032,810	1,061,073	1,083,061

Subject to rounding.

Notes

1. Cumulative Amendment reflects impacts of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Net Budget (\$ Thousands)
 2021 Annual Budget Update (As Recommended)

Service Program	2020 to 2023 Approved Net Budget	2020 Approved Net Budget	2021 Amended Net Budget	2022 Amended Net Budget	2023 Amended Net Budget	2020 to 2023 Amended Net Budget	2021 to 2023 Net Budget Increase/Decrease	Average Daily Tax Payer Cost
Culture	106,323	25,872	26,393	26,815	27,244	106,323	0	\$0.34
Economic Prosperity ¹	42,286	11,110	10,802	10,397	9,978	42,286	0	\$0.13
Environmental Services	113,878	23,343	28,402	31,021	31,112	113,878	0	\$0.36
Parks, Recreation and Neighbourhood Services ¹	164,535	39,059	39,816	41,825	42,205	162,905	-1,630	\$0.51
Planning and Development Services	37,702	9,266	9,415	9,523	9,499	37,702	0	\$0.12
Protective Services	777,398	187,672	192,159	196,905	200,661	777,398	0	\$2.46
Social and Health Services ¹	341,694	78,748	82,248	87,689	91,974	340,659	-1,035	\$1.08
Transportation Services	343,013	82,405	85,370	86,519	88,718	343,013	0	\$1.08
Corporate, Operational and Council Services ¹	281,663	68,871	69,531	70,476	71,203	280,082	-1,582	\$0.89
Financial Management ¹	515,582	116,554	123,391	131,300	142,436	513,682	-1,900	\$1.62
Total	2,724,074	642,901	667,528	692,469	715,030	2,717,928	-6,146	\$8.59

Subject to rounding.

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Gross Expenditure Budget (\$ Thousands)
 2021 Annual Budget Update (As Recommended)

Service Program	2020 to 2023 Approved Expenditure Budget	2020 Approved Expenditure Budget	2021 Amended Expenditure Budget	2022 Amended Expenditure Budget	2023 Amended Expenditure Budget	2020 to 2023 Amended Expenditure Budget	2021 to 2023 Expenditure Budget Increase/Decrease
Culture	109,626	27,204	27,050	27,472	27,901	109,626	0
Economic Prosperity ¹	46,886	14,560	11,823	10,423	10,008	46,815	-72
Environmental Services	172,301	37,632	42,593	45,780	46,295	172,301	0
Parks, Recreation and Neighbourhood Services ¹	455,041	110,629	112,057	114,821	115,904	453,411	-1,630
Planning and Development Services	83,992	19,703	21,100	21,488	21,700	83,992	0
Protective Services	831,428	200,959	205,609	210,559	214,301	831,428	0
Social and Health Services ¹	1,060,729	258,562	262,287	267,696	271,150	1,059,694	-1,035
Transportation Services	404,461	96,485	101,098	102,436	104,442	404,461	0
Corporate, Operational and Council Services ¹	344,051	83,634	84,904	87,979	87,533	344,051	0
Financial Management ¹	680,848	158,416	164,288	172,418	183,826	678,948	-1,900
Total	4,189,363	1,007,784	1,032,810	1,061,073	1,083,060	4,184,727	-4,636

Subject to rounding.

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Net Budget (\$ Thousands)
 2021 Annual Budget Update (As Recommended)

Service Grouping	2020 to 2023 Approved Net Budget ¹	2020 Approved Net Budget ¹	2021 Amended Net Budget ¹	2022 Amended Net Budget ¹	2023 Amended Net Budget ¹	2020 to 2023 Amended Net Budget	2021 to 2023 Net Budget Increase/Decrease	Average Daily Tax Payer Cost
Centennial Hall	764	191	191	191	191	764	0	\$0.00
Arts, Culture and Heritage Advisory and Funding	9,918	2,452	2,479	2,491	2,495	9,918	0	\$0.03
Museum London	7,499	1,821	1,852	1,898	1,927	7,499	0	\$0.02
Eldon House	1,206	295	299	304	308	1,206	0	\$0.00
Heritage	844	199	208	217	221	844	0	\$0.00
Library Services	86,092	20,913	21,364	21,714	22,101	86,092	0	\$0.29
Total Culture	106,323	25,872	26,393	26,815	27,244	106,323	0	\$0.34
Economic Development	29,432	8,022	7,577	7,136	6,697	29,432	0	\$0.08
Community Improvement/ Business Improvement Areas	1,875	384	489	498	504	1,875	0	\$0.01
RBC Place London ¹	2,651	648	658	668	678	2,651	0	\$0.01
Tourism and Sports Attraction	8,329	2,056	2,078	2,095	2,099	8,329	0	\$0.03
Covent Garden Market	0	0	0	0	0	0	0	\$0.00
Total Economic Prosperity	42,286	11,110	10,802	10,397	9,978	42,286	0	\$0.13

Subject to rounding.

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Net Budget (\$ Thousands)
2021 Annual Budget Update (As Recommended)

Service Grouping	2020 to 2023 Approved Net Budget	2020 Approved Net Budget	2021 Amended Net Budget	2022 Amended Net Budget	2023 Amended Net Budget	2020 to 2023 Amended Net Budget	2021 to 2023 Net Budget Increase/ Decrease	Average Daily Tax Payer Cost
Kettle Creek Conservation Authority	1,169	223	314	316	316	1,169	0	\$0.00
Lower Thames Valley Conservation Authority	279	68	69	71	72	279	0	\$0.00
Upper Thames River Conservation Authority	6,649	1,568	1,660	1,694	1,727	6,649	0	\$0.02
Environmental Action Programs and Reporting	4,212	945	1,082	1,090	1,094	4,212	0	\$0.01
Garbage, Recycling and Composting	101,568	20,539	25,276	27,851	27,903	101,568	0	\$0.33
Total Environmental Services	113,878	23,343	28,402	31,021	31,112	113,878	0	\$0.36
Neighbourhood and Recreation Services ¹	105,982	24,687	25,269	27,093	27,303	104,352	-1,630	\$0.33
Parks and Urban Forestry	58,554	14,373	14,547	14,733	14,901	58,554	0	\$0.18
Total Parks, Recreation and Neighbourhood Services	164,535	39,059	39,816	41,825	42,205	162,905	-1,630	\$0.51
Building Approvals	-1,644	-428	-384	-376	-457	-1,644	0	-\$0.01
Planning Services	18,472	4,494	4,586	4,673	4,718	18,472	0	\$0.06
Development Services	20,874	5,199	5,213	5,226	5,237	20,874	0	\$0.07
Total Planning and Development Services	37,702	9,266	9,415	9,523	9,499	37,702	0	\$0.12

Subject to rounding.

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Net Budget (\$ Thousands)
 2021 Annual Budget Update (As Recommended)

Service Grouping	2020 to 2023 Approved Net Budget	2020 Approved Net Budget	2021 Amended Net Budget	2022 Amended Net Budget	2023 Amended Net Budget	2020 to 2023 Amended Net Budget	2021 to 2023 Net Budget Increase/ Decrease	Average Daily Tax Payer Cost
Animal Services	7,819	1,812	1,910	2,006	2,091	7,819	0	\$0.02
By-Law Enforcement and Property Standards	6,523	1,643	1,633	1,625	1,622	6,523	0	\$0.02
Corporate Security and Emergency Management	12,840	3,163	3,184	3,232	3,260	12,840	0	\$0.04
Fire Services	269,788	65,375	66,657	68,017	69,738	269,788	0	\$0.86
London Police Services	480,428	115,678	118,775	122,025	123,950	480,428	0	\$1.52
Total Protective Services	777,398	187,672	192,159	196,905	200,661	777,398	0	\$2.46
Housing Services	45,448	11,108	11,268	11,446	11,626	45,448	0	\$0.15
Housing Development Corporation	13,338	2,843	3,164	3,528	3,803	13,338	0	\$0.04
London and Middlesex Community Housing	54,150	12,389	13,184	13,900	14,677	54,150	0	\$0.17
Long Term Care	23,846	5,751	5,999	6,039	6,058	23,846	0	\$0.08
Land Ambulance	91,255	18,943	21,822	24,332	26,157	91,255	0	\$0.29
Middlesex-London Health Unit ¹	26,818	6,705	6,095	6,705	6,705	26,209	-610	\$0.08
Social and Community Support Services ¹	86,837	21,009	20,715	21,739	22,949	86,412	-425	\$0.27
Total Social and Health Services	341,694	78,748	82,248	87,689	91,974	340,659	-1,035	\$1.08

Subject to rounding.

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Net Budget (\$ Thousands)
 2021 Annual Budget Update (As Recommended)

Service Grouping	2020 to 2023 Approved Net Budget	2020 Approved Net Budget	2021 Amended Net Budget	2022 Amended Net Budget	2023 Amended Net Budget	2020 to 2023 Amended Net Budget	2021 to 2023 Net Budget Increase/Decrease	Average Daily Tax Payer Cost
Parking	-15,028	-3,642	-3,712	-3,838	-3,835	-15,028	0	-\$0.05
London Transit Commission	160,213	38,089	39,596	40,390	42,139	160,213	0	\$0.51
Roadways	197,828	47,959	49,487	49,967	50,415	197,828	0	\$0.62
Rapid Transit	0	0	0	0	0	0	0	\$0.00
Total Transportation Services	343,013	82,405	85,370	86,519	88,718	343,013	0	\$1.08
Corporate Services ¹	244,421	59,907	60,313	61,011	61,608	242,840	-1,582	\$0.77
Corporate Planning and Administration	8,924	2,184	2,213	2,247	2,280	8,924	0	\$0.03
Council Services	16,097	3,965	4,010	4,048	4,074	16,097	0	\$0.05
Public Support Services	12,221	2,816	2,995	3,170	3,241	12,221	0	\$0.04
Total Corporate, Operational and Council Services	281,663	68,871	69,531	70,476	71,203	280,082	-1,582	\$0.89

Subject to rounding.

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Net Budget (\$Thousands)
 2021 Annual Budget Update (As Recommended)

Service Grouping	2020 to 2023 Approved Net Budget	2020 Approved Net Budget	2021 Amended Net Budget	2022 Amended Net Budget	2023 Amended Net Budget	2020 to 2023 Amended Net Budget	2021 to 2023 Net Budget Increase/ Decrease	Average Daily Tax Payer Cost
Capital Financing - Capital Levy	206,759	48,262	50,317	53,715	54,465	206,759	0	\$0.65
Capital Financing - Debt Servicing	140,308	37,560	35,945	33,559	33,244	140,308	0	\$0.44
Capital Financing - Contribution to Capital Reserve Funds	138,807	31,794	32,848	35,836	38,329	138,807	0	\$0.44
Other Related Financing - Contingencies ¹	52,537	4,962	9,405	13,799	22,470	50,637	-1,900	\$0.16
Other Related Financing - Other Corporate Revenues and Expenditures	-51,294	-13,025	-12,206	-12,810	-13,254	-51,294	0	-\$0.16
Finance	28,465	7,000	7,082	7,201	7,182	28,465	0	\$0.09
Total Financial Management	515,582	116,554	123,391	131,300	142,436	513,682	-1,900	\$1.62

Subject to rounding

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Gross Expenditure Budget (\$ Thousands)
 2021 Annual Budget Update (As Recommended)

Service Grouping	2020 to 2023 Approved Expenditure Budget	2020 Approved Expenditure Budget	2021 Amended Expenditure Budget	2022 Amended Expenditure Budget	2023 Amended Expenditure Budget	2020 to 2023 Amended Expenditure Budget	2021 to 2023 Expenditure Budget Increase/Decrease
Centennial Hall	3,392	848	848	848	848	3,392	0
Arts, Culture and Heritage Advisory and Funding	9,993	2,527	2,479	2,491	2,495	9,993	0
Museum London	7,499	1,821	1,852	1,898	1,927	7,499	0
Eldon House	1,206	295	299	304	308	1,206	0
Heritage	844	199	208	217	221	844	0
Library Services	86,692	21,513	21,364	21,714	22,101	86,692	0
Total Culture	109,626	27,204	27,050	27,472	27,901	109,626	0
Economic Development	29,432	8,022	7,577	7,136	6,697	29,432	0
Community Improvement/ Business Improvement Areas	6,475	3,834	1,539	548	554	6,475	0
RBC Place London ¹	2,651	648	630	644	659	2,580	-72
Tourism and Sports Attraction	8,329	2,056	2,078	2,095	2,099	8,329	0
Covent Garden Market	0	0	0	0	0	0	0
Total Economic Prosperity	46,886	14,560	11,824	10,423	10,009	46,815	-72

Subject to rounding.

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Gross Expenditure Budget (\$ Thousands)
2021 Annual Budget Update (As Recommended)

Service Grouping	2020 to 2023 Approved Expenditure Budget	2020 Approved Expenditure Budget	2021 Amended Expenditure Budget	2022 Amended Expenditure Budget	2023 Amended Expenditure Budget	2020 to 2023 Amended Expenditure Budget	2021 to 2023 Expenditure Budget Increase/ Decrease
Kettle Creek Conservation Authority	1,169	223	314	316	316	1,169	0
Lower Thames Valley Conservation Authority	279	68	69	71	72	279	0
Upper Thames River Conservation Authority	6,649	1,568	1,660	1,694	1,727	6,649	0
Environmental Action Programs and Reporting	4,814	1,072	1,257	1,255	1,229	4,814	0
Garbage, Recycling and Composting	159,389	34,700	39,293	42,446	42,951	159,389	0
Total Environmental Services	172,301	37,632	42,593	45,780	46,295	172,301	0
Neighbourhood and Recreation Services ¹	396,262	96,200	97,453	100,032	100,946	394,632	-1,630
Parks and Urban Forestry	58,779	14,429	14,604	14,789	14,958	58,779	0
Total Parks, Recreation and Neighbourhood Services	455,041	110,629	112,057	114,821	115,904	453,411	-1,630

Subject to rounding.

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Gross Expenditure Budget (\$ Thousands)
 2021 Annual Budget Update (As Recommended)

Service Grouping	2020 to 2023 Approved Expenditure Budget	2020 Approved Expenditure Budget	2021 Amended Expenditure Budget	2022 Amended Expenditure Budget	2023 Amended Expenditure Budget	2020 to 2023 Amended Expenditure Budget	2021 to 2023 Expenditure Budget Increase/ Decrease
Building Approvals	28,022	6,773	6,967	7,126	7,156	28,022	0
Planning Services	21,903	5,033	5,550	5,637	5,682	21,903	0
Development Services	34,068	7,897	8,582	8,726	8,862	34,068	0
Total Planning and Development Services	83,992	19,703	21,100	21,488	21,700	83,992	0
Animal Services	12,794	3,081	3,179	3,237	3,296	12,794	0
By-Law Enforcement and Property Standards	19,703	4,713	4,860	5,070	5,059	19,703	0
Corporate Security and Emergency Management	13,101	3,227	3,249	3,298	3,327	13,101	0
Fire Services	271,069	65,690	66,975	68,340	70,064	271,069	0
London Police Services	514,761	124,247	127,345	130,614	132,555	514,761	0
Total Protective Services	831,428	200,959	205,609	210,559	214,301	831,428	0

Subject to rounding.

Note: Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Gross Expenditure Budget (\$ Thousands)
 2021 Annual Budget Update (As Recommended)

Service Grouping	2020 to 2023 Approved Expenditure Budget	2020 Approved Expenditure Budget	2021 Amended Expenditure Budget	2022 Amended Expenditure Budget	2023 Amended Expenditure Budget	2020 to 2023 Amended Expenditure Budget	2021 to 2023 Expenditure Budget Increase/ Decrease
Housing Services	93,652	23,418	23,392	23,345	23,496	93,652	0
Housing Development Corporation	13,338	2,843	3,164	3,528	3,803	13,338	0
London and Middlesex Community Housing	54,150	12,389	13,184	13,900	14,677	54,150	0
Long Term Care	99,723	24,581	24,921	25,054	25,167	99,723	0
Land Ambulance	91,255	18,943	21,822	24,332	26,157	91,255	0
Middlesex-London Health Unit ¹	26,818	6,705	6,095	6,705	6,705	26,209	-610
Social and Community Support Services ¹	681,792	169,683	169,708	170,831	171,145	681,367	-425
Total Social and Health Services	1,060,729	258,562	262,287	267,696	271,150	1,059,694	-1,035
Parking	15,761	3,478	3,998	4,141	4,144	15,761	0
London Transit Commission	160,213	38,089	39,596	40,390	42,139	160,213	0
Roadways	228,166	54,839	57,424	57,824	58,079	228,166	0
Rapid Transit	320	80	80	80	80	320	0
Total Transportation Services	404,461	96,485	101,098	102,436	104,442	404,461	0

Subject to rounding.

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

2020 to 2023 Operating Budget Overview: Gross Expenditure Budget (\$ Thousands)
 2021 Annual Budget Update (As Recommended)

Service Grouping	2020 to 2023 Approved Expenditure Budget	2020 Approved Expenditure Budget	2021 Amended Expenditure Budget	2022 Amended Expenditure Budget	2023 Amended Expenditure Budget	2020 to 2023 Amended Expenditure Budget	2021 to 2023 Expenditure Budget Increase/ Decrease
Corporate Services ¹	267,371	65,611	66,457	67,322	67,982	267,371	0
Corporate Planning and Administration	9,278	2,206	2,367	2,402	2,303	9,278	0
Council Services	19,295	4,094	4,135	6,093	4,972	19,295	0
Public Support Services	48,107	11,723	11,945	12,162	12,276	48,107	0
Total Corporate, Operational and Council Services	344,051	83,634	84,904	87,979	87,533	344,051	0
Capital Financing - Capital Levy	206,759	48,262	50,317	53,715	54,465	206,759	0
Capital Financing - Debt Servicing	140,308	37,560	35,945	33,559	33,244	140,308	0
Capital Financing - Contribution to Capital Reserve Funds	138,807	31,794	32,848	35,836	38,329	138,807	0
Other Related Financing - Contingencies ¹	52,537	4,962	9,405	13,799	22,470	50,637	-1,900
Other Related Financing - Other Corporate Revenues and Expenditures	104,573	26,558	26,349	25,951	25,714	104,573	0
Finance	37,864	9,279	9,424	9,557	9,604	37,864	0
Total Financial Management	680,848	158,416	164,288	172,418	183,826	678,948	-1,900

Subject to rounding.

Notes

1. Amounts reported include the impact of budget amendments as applicable.
2. Amounts reported include housekeeping budget adjustments.

Appendix B - Capital Budget Overview

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

Classification	2020 Approved Budget	2021 Amended Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Amended Budget	2021 to 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	96,587	90,409	108,761	98,213	393,969	966	627,657	-800	1,021,627
Growth	123,874	113,494	155,870	246,274	639,512	0	654,313	0	1,293,825
Service Improvement	86,553	25,517	27,037	48,553	187,660	0	264,824	0	452,484
Total Expenditures	307,014	229,419	291,668	393,039	1,221,141	966	1,546,794	-800	2,767,935

Subject to rounding.

Note: Approved figures include Housekeeping adjustments, assessment growth and changes made by the 2021 DC Update.

2020 to 2029 Capital Budget Overview by Service Program – As Recommended (\$ Thousands)

Service Program	2020 Approved Budget	2021 Amended Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Amended Budget	2021 to 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	8,092	1,976	2,016	2,026	14,110	0	15,331	0	29,441
Economic Prosperity	4,018	8,569	7,671	7,088	27,346	166	43,087	0	70,433
Environmental Services	43,054	1,635	3,025	15,745	63,459	800	37,235	-800	100,694
Parks, Recreation and Neighbourhood Services	23,707	23,056	22,738	59,699	129,200	0	116,272	0	245,855
Planning and Development Services	1,942	3,881	2,584	5,097	13,503	0	4,138	0	17,641
Protective Services	14,979	20,083	28,263	29,442	92,767	0	110,801	0	203,568
Social and Health Services	16,870	14,583	15,025	17,381	63,858	0	94,577	0	158,435
Transportation Services	169,288	142,250	191,910	233,947	737,395	0	897,250	0	1,634,645
Corporate, Operational and Council Services	25,064	13,387	18,437	22,614	79,503	0	228,104	0	307,607
Total Expenditures	307,014	229,419	291,668	393,039	1,221,141	966	1,546,794	-800	2,767,935

Subject to rounding.

Note: Approved figures include Housekeeping adjustments, assessment growth and changes made by the 2021 DC Update.

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

Source of Financing	2020 Approved Budget	2021 Amended Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Amended Budget Total	2021 to 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	42,813	48,191	53,692	54,415	199,111	0	355,069	0	554,180
Debt	56,839	29,484	24,332	66,687	177,341	0	176,340	0	353,682
Reserve Fund	71,434	38,834	47,627	54,108	212,002	166	357,769	0	569,771
Other	1,705	2,051	724	7	4,488	0	1,774	0	6,262
Sub-Total Tax Supported	172,791	118,560	126,374	175,218	592,943	166	890,952	0	1,483,895
Debt	10,077	10,256	22,665	58,743	101,741	0	138,552	0	240,293
Reserve Fund	51,938	48,954	51,165	52,374	204,431	800	241,453	-800	445,884
Federal Gas Tax	27,176	16,387	26,324	30,041	99,929	0	95,331	0	195,259
Federal Grants	19,827	18,653	34,760	40,118	113,357	0	22,992	0	136,349
Provincial Grants	14,908	16,035	29,603	35,080	95,625	0	32,105	0	127,731
Other Government	7	0	0	0	7	0	119,314	0	119,320
Other	10,291	574	777	1,466	13,108	0	6,096	0	19,204
Sub-Total Non-Tax Supported	134,223	110,859	165,294	217,822	628,198	800	655,842	-800	1,284,040
Total Source of Financing	307,014	229,419	291,668	393,039	1,221,141	966	1,546,794	-800	2,767,935

Subject to rounding.

Note: Approved figures include Housekeeping adjustments, assessment growth and changes made by the 2021 DC Update.

2030 Capital Budget Overview by Classification – As Recommended (\$ Thousands)

Classification	2030 Forecast	2021 to 2030 Amended Ten Year Plan
Lifecycle Renewal	108,460	1,033,500
Growth	69,204	1,239,156
Service Improvement	45,569	411,499
Total Expenditures	223,233	2,684,155

Subject to rounding.

Source of Financing	2030 Forecast	2021 to 2030 Amended Ten Year Plan
Capital Levy	64,241	575,608
Debt	34,701	331,544
Reserve Fund	39,615	537,953
Other	0	4,556
Sub-Total Tax Supported	138,557	1,449,661
Debt	25,136	255,352
Reserve Fund	41,628	435,574
Federal Gas Tax	13,725	181,809
Federal Grants	0	116,522
Provincial Grants	3,171	115,994
Other Government	0	119,314
Other	1,016	9,929
Sub-Total Non-Tax Supported	84,676	1,234,494
Total Source of Financing	223,233	2,684,155

Subject to rounding.

2030 Major Capital Projects by Classification – As Recommended (\$ Thousands)

Classification	Project	2030 Forecast
Lifecycle Renewal	Road Network Improvements	28,641
Lifecycle Renewal	Bus Replacement Program	10,756
Lifecycle Renewal	Traffic Signal and Street Light Maintenance	9,354
Lifecycle Renewal	Vehicle and Equipment Replacement	6,662
Lifecycle Renewal	LMCH Infrastructure Gap	6,142
Growth	Wonderland Rd Widening (Riverside to Springbank) ¹	41,766
Growth	Kilally Rd Urbanization (Webster to Clarke)	11,766
Growth	Wonderland Rd Widening (Oxford to Riverside) ¹	6,075
Growth	Wonderland Rd Widening (Sunningdale to Fanshawe) ¹	1,687
Growth	Wonderland Rd Widening (Oxford St to Beaverbrook) ¹	1,544
Service Improvement	Highbury LTC Facility Demolition and Rebuild	38,100
Service Improvement	Regenerating Public Housing	3,500
Service Improvement	Urban Forest Strategy	1,600

Subject to rounding.

Note 1. Wonderland Road widening projects are currently being reviewed with the City's Climate Emergency Screening Tool. Depending on the outcome of this review, new projects that support action on climate change may be substituted.

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	Federal Gas Tax	Federal Gas Tax 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 – As Recommended (\$ Thousands)

Classification	Type	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Obligatory	City Services	18,536	18,045	16,537	14,154	34,069
Obligatory	Federal Gas Tax	24,769	23,570	13,933	3,257	785
Obligatory	Parkland	3,504	3,926	3,960	3,382	4,231
Total	Obligatory	46,809	45,541	34,431	20,792	39,085
Discretionary	Capital Asset Renewal and Replacement ^{1, 2, 3}	71,372	83,521	89,217	91,867	104,855
Discretionary	Capital Asset Growth ³	17,140	16,736	20,210	18,584	23,065
Discretionary	Special Projects and New Initiatives ^{1, 3}	157,467	162,916	168,115	180,490	240,914
Discretionary	Contingencies/Stabilization and Risk Management	179,229	172,555	172,167	173,031	186,201
Total	Discretionary	425,207	435,727	449,709	463,972	555,035

Subject to rounding.

Notes

1. Amounts reported include the recommended 2021 Annual Budget Update amendments.
2. Amounts reported do not include all changes made by the Capital Asset Renewal and Replacement Reserve Fund Rationalization Report, as these changes are to be implemented in 2021.
3. 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 – As Recommended
 Obligatory Reserve Funds (\$ Thousands)

Reserve Fund	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
City Services	18,536	18,045	16,537	14,154	34,069
Federal Gas Tax	24,769	23,570	13,933	3,257	785
Parkland	3,504	3,926	3,960	3,382	4,231
Total Obligatory ¹	46,809	45,541	34,431	20,792	39,085

Subject to rounding.

Note 1. Obligatory reserve funds were established to comply with legislation. Contributions and drawdowns are dictated by legislation.

Capital Asset Renewal and Replacement Reserve Funds (\$ Thousands)

Reserve Fund	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
City Facilities	32,556	37,882	39,941	39,338	6,094
RBC Place London ¹	961	663	142	462	275
Courts Administration	262	297	271	307	337
Dearness Home	778	724	670	616	298
Library	334	510	674	876	6
Parking Facilities	321	1,078	1,466	2,360	6,545
Material Recovery Facility	1,527	688	243	245	3,481
Solid Waste	2,918	5,775	8,660	5,088	8,198
Public Housing ²	2,852	3,296	3,470	3,282	16,835
Public Art Renewal	317	320	323	327	347
Capital Infrastructure Gap ³	7,610	10,804	16,032	23,203	55,359
Technology Services	6,641	7,047	5,449	4,373	1,881
Vehicle Replacement - City	6,206	6,507	5,262	5,096	745
Vehicle Replacement - Fire	5,492	5,650	4,180	3,971	601
Vehicle Replacement - Police	2,597	2,278	2,434	2,323	3,855
Total Capital Asset Renewal and Replacement	71,372	83,521	89,217	91,867	104,855

Subject to rounding.

Notes

1. Budgeted activity within this reserve fund is governed by Agency, Board, or Commission policies and approvals.
2. The projected balance in this reserve fund includes the forecasted standing Assessment Growth Business Case as noted in the 2020 to 2023 Multi-Year Budget Additional Investment Business Case #12 to support LMCH's asset management plan.
3. Capital Infrastructure Gap Reserve Fund projected balances are increasing because the implementation of the Municipal Council approved allocation methodology will not be fully implemented until 2021; see Capital Asset Renewal and Replacement Reserve Funds Rationalization Report (Corporate Services Committee – September 8, 2020) for details.

Capital Asset Growth Reserve Funds (\$ Thousands)

Reserve Fund	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Industrial Oversizing	1,739	1,625	1,510	1,394	1,759
Industrial Land	8,149	6,297	8,305	5,411	1,690
Industrial DC Incentive	2,996	3,014	3,033	3,052	3,170
Institutional DC Incentive	3,095	3,123	3,156	3,185	3,364
Commercial DC Incentive	62	63	63	64	68
Residential DC Incentive ¹	353	1,860	3,382	4,709	12,197
Non-Growth Works Arising from Development Agreements	746	754	761	769	816
Total Capital Asset Growth	17,140	16,736	20,210	18,584	23,065

Subject to rounding.

Note 1. 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 Projected	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Animal Welfare	125	62	36	36	39
Child Care and Early Childhood Development	5,257	5,310	5,363	5,417	5,750
Civic Investments ¹	-108	-177	-207	652	2,448
Community Improvement - Grant	5,070	4,339	5,801	6,754	3,375
Community Improvement - Loan	1,800	2,139	2,482	2,829	4,982
Community Investment	1,542	1,538	1,533	1,528	1,601
Councillor's Lounge and Marriage Services	59	69	79	88	149
Creative City	349	352	356	359	381
Dearness Home Gift ²	868	967	1,067	1,168	1,797
Economic Development ³	9,964	8,562	5,336	6,601	27,624
Golf Courses	117	115	130	167	396
Home Ownership	1,583	1,599	1,615	1,631	1,732
Housing Development Corporation ⁴	2,637	5,448	8,597	12,000	33,141
Housing Support Services	503	508	514	519	551
Land Acquisition ³	10,841	11,834	12,837	13,850	20,143
Municipal Elections	1,781	2,145	605	226	627
Official Plan	441	496	330	383	500
Operating Effectiveness, Efficiency and Economy ³	17,963	19,610	21,817	24,251	17,710
Public Art Acquisition	698	705	712	719	763
PUC Environmental ⁵	77,415	77,415	77,415	77,415	77,415
Red Light Camera	1,330	1,343	1,357	1,370	1,455

Reserve or Reserve Fund	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Social Housing - Major Repairs ³	10,341	10,947	11,559	12,177	16,017
Social Services	3,742	3,779	3,817	3,855	4,092
Tourism Infrastructure ³	290	796	1,790	3,157	13,884
Tree Bank	140	163	187	211	360
Urban Forestry	2,716	2,851	2,988	3,126	3,982
Total Special Projects and New Initiatives	157,467	162,916	168,115	180,490	240,914

Subject to rounding.

Notes

1. Civic Investment Reserve Fund projected balances are being managed at a negative position until 2022 due to timing differences between planned expenditures and non-tax supported contributions.
2. Budgeted activity within this reserve fund is subject to donation restrictions, if any, and Dearness Home policies and approvals.
3. Balances within these funds are increasing because they do not factor in draws until approved by Municipal Council, or authorized designate.
4. Budgeted activity within this reserve fund is governed by Agency, Board, or Commission policies and approvals.
5. Balance of Public Utility Commission (PUC) Environmental Reserve Fund restricted to costs associated with coal tar affected lands held by the City (former PUC lands).

Contingencies / Stabilization and Risk Management Reserves and Reserve Funds (\$ Thousands)

Reserve or Reserve Fund	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Building Permits	2,013	2,033	2,053	2,074	2,201
LMHC Employee Entitlement ¹	26	26	26	26	28
LPS Employee Benefits ¹	1,334	1,162	988	812	862
LPS Recruitment ¹	169	119	69	8	9
LPS Sick Leave ¹	86	87	88	89	94
LPS Unfunded Liability ¹	8,521	8,607	8,693	8,779	9,320
LPL Sick Leave ¹	40	41	41	41	44
Operating Budget Contingency ²	52,577	44,605	42,696	41,721	41,721
Self Insurance	8,525	9,457	10,408	11,379	17,634
Sick Leave City	843	349	51	52	55
Unfunded Liability ²	90,209	91,112	92,023	92,943	98,661
Workplace Safety and Insurance Board	14,885	14,958	15,032	15,107	15,573
Total Contingencies/Stabilization and Risk Management	179,229	172,555	172,167	173,031	186,201

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	29,631	34,129	35,305	37,240	38,147	38,272
Wastewater and Treatment	9,748	9,193	5,838	4,725	4,402	3,716	4,016	4,160	4,659	3,195
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	2,500	2,495	2,487	1,669	1,517	1,506	722	309	0	0
City Services Reserve Funds	12,666	14,737	18,726	23,398	27,916	32,975	37,823	42,754	47,235	50,363
Total Corporate	67,634	64,950	62,943	64,365	63,966	72,326	77,867	84,464	90,041	91,830

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	142,321	148,062	154,204	226,116	235,660	244,140	250,785	253,813	256,756
Wastewater and Treatment	33,008	24,662	19,456	15,217	11,184	7,732	11,148	14,487	17,388	21,832
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	10,057	7,787	5,471	3,916	2,478	1,013	306	0	0	0
City Services Reserve Funds	90,127	125,421	157,355	185,318	212,575	235,368	253,809	267,712	277,433	284,215
Total Corporate	279,184	304,155	332,107	359,145	452,353	479,773	509,404	532,985	548,634	562,803

Subject to rounding.

Appendix E - Reconciliation of Draft Budget 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 approved budget and 2021 to 2023 amended budgets 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, 2019 was \$161.7 million. Reserve fund balances of \$114.1 million as of December 31, 2019 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 \$41.1 million. The Sanitary Landfill Reserve Fund, with a balance of \$21.6 million as of December 31, 2019, 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 Draft Budget to PSAB Financial Statement Budget (\$ Thousands)

Tax Supported Budget	2020 Approved Budget	2021 Amended Budget	2022 Amended Budget	2023 Amended Budget
Property Tax	642,901	671,095	693,747	716,331
Property Tax - Draft Budget Amendments	0	-3,567	-1,278	-1,301
Government Grants and Subsidies	225,409	225,692	225,806	226,077
User Fees	54,445	56,145	57,938	59,054
Municipal Revenues - Other	75,181	77,085	78,692	78,994
Municipal Revenues - Transfers from Capital	0	0	0	0
Municipal Revenues - Transfers from Reserves and Reserve Funds	9,848	6,360	6,168	3,906
Total Revenues	1,007,784	1,032,810	1,061,073	1,083,061
Personnel Costs	376,301	387,787	399,289	411,943
Administrative Expenses	7,360	7,335	7,406	7,403
Financial Expenses - Other	11,230	11,259	11,289	11,320
Financial Expenses - Interest and Discount on Long-term Debt	4,941	4,440	4,426	4,360
Financial Expenses - Debt Principal Repayments	31,200	30,420	28,048	27,799
Financial Expenses - Transfers to Reserves and Reserve Funds	66,484	65,500	67,398	69,679
Financial Expenses - Transfers to Capital	49,675	51,369	54,742	55,465
Purchased Services	214,230	225,356	234,956	238,872
Materials and Supplies	39,922	40,054	40,903	41,203
Vehicle and Equipment	25,078	26,019	26,623	26,613
Transfers	201,101	202,117	204,877	207,442
Other Expenses	941	2,336	2,348	2,360
Recovered Expenses	-20,679	-21,182	-21,232	-21,398
Total Expenses	1,007,784	1,032,810	1,061,073	1,083,061
Net Surplus (Deficit) Per Draft Budget	0	0	0	0

PSAB Reporting Requirements Reconciliation (\$ Thousands)

Reconciliation Type	Description	2020 Approved Budget	2021 Amended Budget	2022 Amended Budget	2023 Amended Budget
	Projected Net PSAB Surplus	96,089	99,261	121,590	121,471
Addback Revenue	Transfers from Capital	0	0	0	0
Addback Revenue	Transfers from Reserves and Reserve Funds	9,848	6,360	6,168	3,906
Deduct Expense	Transfers to Reserves and Reserve Funds	-66,484	-65,500	-67,398	-69,679
Deduct Expense	Transfers to Capital	-49,675	-51,369	-54,742	-55,465
Deduct Expense	Debt principal repayments	-31,200	-30,420	-28,048	-27,799
PSAB Adjustment	Capital program funding earned in year ¹	-56,987	-52,334	-82,364	-95,950
PSAB Adjustment	Capital projects not resulting in tangible capital assets ²	42,893	31,790	40,415	54,462
PSAB Adjustment	Amortization ³	90,521	95,025	99,811	104,874
PSAB Adjustment	Developer contributions of assumed tangible capital assets ⁴	-13,780	-13,364	-15,023	-12,806
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, Gas Tax 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	1,726	1,848	1,835
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 Draft Budget	0	0	0	0

Subject to rounding.

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 writedown of the tangible capital assets over the useful life of the asset. Estimated annual average increase of 4.95% 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 federal gas tax 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.

Appendix F – 2020 to 2023 Multi-Year Budget Net Tax Levy Summary (\$ Thousands)

2020 to 2023 Multi-Year Budget Net 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 Net Levy Reductions)	0.9%
2020 % Increase from Rates	3.8%
2021 Draft Budget Amendments Recommended	0.0%
2021 Amended % Increase from Rates	3.8%

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 Net Tax Levy Summary	2020	2021	2022	2023
2020 Budget to Maintain Existing Service Levels³	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
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

2020 to 2023 Multi-Year Budget Net Tax Levy Summary	2020	2021	2022	2023
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
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 to 2023 Multi-Year Budget Net Tax Levy Summary	2020	2021	2022	2023
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
Total 2021 Draft Budget Amendments Recommended \$	0	-3,567	-1,278	-1,301
Total 2021 Draft Budget Amendments Recommended %	0.0%	-0.6%	0.4%	0.0%
2021 Amended % Increase from Rates	4.4%	3.8%	3.7%	3.3%

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.

Appendix G - 2021 Annual Budget Update Amendment Cases



2021 Annual Budget Update

Budget Amendment #1 - RBC Place London - Promissory Note Forgiveness

Strategic Area of Focus: Growing Our Economy

Strategy: Continue to engage the community to attract conventions, conferences and multi-day events to London contributing to the community's economic prosperity.

Budget Amendment Type: Cost Driver

Description: Promissory Note Forgiveness

Service(s): RBC Place London

Lead: Lori Da Silva, General Manager and CEO

Budget Amendment Tax Levy Impact (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total
Annual Net Tax Levy Impact	N/A	\$0	\$0	\$0	\$0
Annual Net Incremental Tax Levy Impact	N/A	\$0	\$0	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	0.00%	0.00%	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	\$0	\$0	\$0	\$0.00 Average

Subject to rounding.

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

Promissory Note Forgiveness

What is the reason for the budget amendment?

On February 26, 2015, Council approved capital project GG1770, Reconfiguration of the main level of London Convention Centre (LCC), now known as RBC Place London. The amount approved was \$1,965,000 and the source of funding approved by Council was debt. The resolution indicated that the future debt servicing costs may be offset by increased revenues generated by the reconfiguration project. In lieu of including this project as part of the City's debenture issue, Administration advanced the funds for this project to RBC Place London. The funds were borrowed from the City's Efficiency, Effectiveness and Economy (EEE) Reserve. The interest rate the City has been charging is 2.30% over a 10 year term.

The 10-year Promissory Note between the City of London and RBC Place London is paid annually each August with the total installment of \$222,204.37. As at December 31, 2019, the principal balance outstanding on the Promissory Note was \$1,421,665.

At the June 29, 2020 City of London Council meeting, RBC Place London requested and was approved for a deferral of the 2020 payment, extending the Promissory Note terms from a maturity of August 1, 2026 to August 1, 2027.

The current COVID-19 situation and resulting State of Emergency declared by governments cancelling all gatherings and requiring the closure of public assembly facilities has devastated RBC Place London. Total revenue for 2020 is forecasted to be down (73.0%) from budget with potentially no events held in the remainder of 2020. Concerns have now shifted to events currently scheduled and now being postponed in the first half of 2021. Global event industry experts anticipate a three to five year recovery.

RBC Place London has, to date, received no direct support from Federal or Provincial governments. The RBC Place London operational reserve has been depleted by \$500,000 covering the operational expenses to maintain the asset. 90% of the RBC Place London team has been laid off with all remaining staff taking a pay cut. Funds from special projects reserve held by RBC Place London have also been utilized to cover expenses of \$200,000.

2021 and 2022 will be challenging rebuilding years for RBC Place London as convention groups continue to reschedule their annual events. Any future operational surplus will be directed to replace and rebuild reserves including the capital reserve held by the City of London. RBC Place London will not have the ability to pay future annual installments for this Promissory Note, therefore, is seeking the City of London's forgiveness of the loan.

Operating Budget Table (\$ Thousands)

Promissory Note Forgiveness: Impact to EEE Reserve	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Principal Balance: Allowance for Note Forgiveness	-\$1,422	\$0	\$0	\$0	-\$1,422	\$0
Interest Revenue	-\$33	-\$28	-\$24	-\$19	-\$104	-\$30
Impact to EEE Reserve	-\$1,454	-\$28	-\$24	-\$19	-\$1,526	-\$30

Subject to rounding.

Note: The RBC Place London Promissory Note was funded from the City’s Efficiency, Effectiveness and Economy (EEE) Reserve. Promissory Note Forgiveness would result in no tax levy impact, however would reduce the expected future inflows into EEE Reserve by \$1.6 million (principal and interest outstanding).

Additional Details

RBC Place London Administration responded to the required COVID closure with the following actions to minimize the operational loss:

Staffing:

- 90% of the RBC Place London team continues to be laid off;
- Associates working have taken a 15% to 25% wage reduction.

Discretionary Spending:

- With no events, variable costs were eliminated;
- All discretionary spending cancelled;
- Repairs deferred;
- Service contracts placed on hold as appropriate;
- Building moved to emergency lighting;
- Surplus systems shut down as appropriate to reduce energy consumption and costs.

Capital Plans:

- Placed on hold pending further review and discussions with exception of contracts previously committed. Full review of 10 year capital plan to support reduced funding.

Cash Management:

- Council previously approved deferral of the August 2020 Promissory Note payment for the 1st floor renovation of \$222,204.37.

Applying the Equity and Inclusion Handbook and Gender Equity Lens – Comments from the Anti-Racism and Anti-Oppression Working Group

- Being a service industry employer, RBC Place London likely employs a large number of equity seeking groups. Without understanding the specific workplace demographics of RBC Place London it is difficult to understand the full impacts (positive or negative) of the Budget Amendment.
- It is acknowledged that this Budget Amendment creates greater financial stability for RBC Place London. Greater financial stability may allow RBC Place London to rehire employees.

2021 Annual Budget Update

Budget Amendment #2 - RBC Place London - Revised Capital Plan

Strategic Area of Focus: Growing our Economy

Strategy: Continue to engage the community to attract conventions, conferences and multi-day events to London contributing to the community's economic prosperity.

Budget Amendment Type: Cost Driver

Description: Revised Capital Plan

Service(s): RBC Place London

Lead: Lori Da Silva, General Manager and CEO

Budget Amendment Tax Levy Impact (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total
Annual Net Tax Levy Impact	N/A	\$0	\$0	\$0	\$0
Annual Net Incremental Tax Levy Impact	N/A	\$0	\$0	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	0.00%	0.00%	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	\$0	\$0	\$0	\$0.00 Average

Subject to rounding.

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

RBC Place London - Revised Capital Plan

What is the reason for the budget amendment?

The COVID-19 situation and resulting State of Emergency declared by governments cancelling all gatherings and requiring the closure of public assembly facilities devastated RBC Place London. Total revenue for 2020 is forecasted to be down by 73.0% from budget with a potential 3 to 5 year recovery period.

RBC Place London has, to date, received no support from Federal or Provincial governments. The RBC Place London operational reserve has been depleted by \$500,000 covering operational expenses to maintain the asset in 2020. 90% of the RBC Place London team has been laid off with all remaining staff taking a pay cut. Funds from special projects reserve held by RBC Place London have also been utilized to cover expenses of \$200,000.

During the 1st quarter of 2020, a building assessment study was completed. RBC Place London has now revised its 20 year capital plan and specifically the immediate 9 years, delaying some capital projects as appropriate and adjusting the schedule to reflect the recommendations of the building assessment report and limited contributions from the annual operating budget.

Capital Budget Tables (\$ Thousands)

RBC Place London Repairs	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Approved Budget – EP1765	\$0	\$1,099	\$992	\$460	\$2,551	\$5,092
Cumulative Amendment	N/A	-\$85	\$251	\$0	\$166	\$0
Amended Budget	\$0	\$1,014	\$1,243	\$460	\$2,717	\$5,092

Source of Financing Amendment	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	\$0	\$0	\$0	\$0	\$0
Debenture	N/A	\$0	\$0	\$0	\$0	\$0
Reserve Fund ¹	N/A	\$85	-\$251	\$0	-\$166	\$0
Other	N/A	\$0	\$0	\$0	\$0	\$0
Non-Tax Supported ²	N/A	\$0	\$0	\$0	\$0	\$0
Amended Budget	\$0	\$1,014	\$1,243	\$460	\$2,717	\$5,092

Subject to rounding.

1) The reserve fund source of financing is the RBC Place London Reserve Fund.

2) The 2030 capital gross expenditure is \$525,000.

Applying the Equity and Inclusion Handbook and Gender Equity Lens – Comments from the Anti-Racism and Anti-Oppression Working Group

- The ongoing maintenance of and upgrades to RBC Place London should consider accessibility. This will increase accessibility for employees and visitors to the facility. The capital projects should also consider equitable procurement practices.
- It is acknowledged that this Budget Amendment may create greater financial stability for RBC Place London through the creation of greater business opportunities.

2021 Annual Budget Update

Budget Amendment #3 - Recycling and Composting - Repair of Material Recovery Facility Fire Suppressant System

Strategic Area of Focus: Building a Sustainable City

Strategy: Work with residents and organizations to implement the 60% Waste Diversion Action Plan.

Budget Amendment Type: Cost Driver

Description: Repair of Material Recovery Facility Fire Suppressant System

Service(s): Recycling and Composting

Lead: Kelly Scherr, Managing Director, Environmental and Engineering Services and City Engineer

Budget Amendment Tax Levy Impact (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total
Annual Net Tax Levy Impact	N/A	\$0	\$0	\$0	\$0
Annual Net Incremental Tax Levy Impact	N/A	\$0	\$0	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	0.00%	0.00%	0.00%	0.00% Average
Estimated Annual Rate Payer Impact \$ ¹	N/A	\$0	\$0	\$0	\$0.00 Average

Subject to rounding.

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

Repair of Material Recovery Facility Fire Suppressant System

What is the reason for the budget amendment?

Unplanned repairs to the existing fire suppressant system at the Material Recovery Facility are required. The existing system is reaching the end of its useful life faster than anticipated as a result of having to use onsite storm water management pond water to provide the required firefighting flows and system pressure. The repairs will address the early deterioration of the system and address the water quality issues.

Capital Budget Tables (\$ Thousands)

Material Recovery Facility	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Approved Budget - SW6530	\$230	\$50	\$450	\$0	\$730	\$2,835
Cumulative Amendment	N/A	\$800	\$0	\$0	\$800	-\$800
Amended Budget	\$230	\$850	\$450	\$0	\$1,530	\$2,035

Source of Financing Amendment	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	\$0	\$0	\$0	\$0	\$0
Debtenture	N/A	\$0	\$0	\$0	\$0	\$0
Reserve Fund ¹	N/A	-\$800	\$0	\$0	-\$800	\$800
Other	N/A	\$0	\$0	\$0	\$0	\$0
Non-Tax Supported ²	N/A	\$0	\$0	\$0	\$0	\$0
Amended Budget	\$230	\$850	\$450	\$0	\$1,530	\$2,035

Subject to rounding.

Notes:

- 1) The reserve fund source of financing is the Material Recovery Facility (MRF) Renewal Reserve Fund
- 2) The 2030 capital gross expenditure is \$3,825,000.

Additional Details

Maintenance and repairs to the Material Recovery Facility (MRF) are funded from the MRF Renewal Reserve Fund. This proposed budget amendment is proposing to move funds from the 2024 to 2029 budget into 2021 which can be accommodated via the MRF Renewal Reserve Fund.

Applying the Equity and Inclusion Handbook and Gender Equity Lens – Comments from the Anti-Racism and Anti-Oppression Working Group

- The funding to repair the Material Recovery Facility fire suppressant system should not have an impact on equity seeking groups.

2021 Annual Budget Update

Budget Amendment #4 - Children’s Services - Reduction in Required Investment in 2021 Due to Impacts of COVID-19

Strategic Area of Focus: Strengthening our Community
 Strategy: Improve access to licenced child care and early years opportunities.
 Budget Amendment Type: Cost Driver
 Description: Reduction in Required Investment in 2021 Due to Impacts of COVID-19
 Service(s): Children’s Services
 Lead: Cheryl Smith, Managing Director, Neighbourhood, Children and Fire Services

Budget Amendment Tax Levy Impact (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total
Annual Net Tax Levy Impact	N/A	-\$1,630	\$0	\$0	-\$1,630
Annual Net Incremental Tax Levy Impact	N/A	-\$1,630	\$1,630	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	-0.25%	0.25%	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	-\$7.85	\$0	\$0	-\$1.96 Average

Subject to rounding.

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

Reduction in required investment in 2021 due to impacts of COVID-19

What is the reason for the budget amendment?

During 2020 to 2023 Multi-Year Budget development it was anticipated that additional child care centres would be built and necessitate additional funding to support the ongoing fee subsidy costs as a result of additional spaces. With the onset of the COVID-19 pandemic the expected new child care centres have been delayed and therefore the required funding will not be necessary in 2021. The funding is expected to be needed in 2022 and beyond once the new centres are operational and therefore must remain in place as approved for 2022 and future years.

Operating Budget Table (\$ Thousands)

Children's Services	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Approved Budget	\$7,782	\$9,903	\$10,000	\$10,073	\$37,758	\$60,438
Cumulative Amendment	N/A	-\$1,630	\$0	\$0	-\$1,630	\$0
Amended Budget	\$7,782	\$8,273	\$10,000	\$10,073	\$36,128	\$60,438

Subject to rounding.

Additional Details

- In collaboration with the Ministry of Education and other partners, the City of London is supporting the development of new capital builds, including:
 - A centre within the planned South East Public School (TVDSB);
 - A centre within the planned River Heights Public School (TVDSB); and,
 - A centre within the planned St. Anne Catholic School (LDCSB).
- These builds will create an additional 264 licensed child care spaces in the London and Middlesex communities and were anticipated to be in the building phase in 2020, requiring operational support (i.e. operational funding, Child Care Fee Subsidy funding, additional Special Needs Resourcing and Capacity Building support) by 2021.
- COVID-19 has impacted the timeline for these new developments and it is now anticipated these programs will be operational in 2022.
- Capital funding to support these three Centres has been committed by the Ministry of Education.
- It is now anticipated that the three centres within the school facilities will be operational in 2022, and thus as of 2022 the Service System Manager (SSM) will require the previously approved operational funding to ensure the successful opening and operations, quality, stability, accessibility and affordability of these centres for children and families within our community.
- Accordingly, the 20% cost-shared portion of Expansion Plan Funding, as previously approved, becomes imperative as of 2022 as London's Licensed Child Care system continues to grow to help meet the needs of families who wish to access affordable child care in these new licensed centres in 2022 onwards.

- In addition to Child Care Fee Subsidy, Expansion Plan funding is required to also ensure the growth and expansion of crucial services including Special Needs Resourcing and Capacity Building to avoid placing additional strain on the system.
- This will ensure that crucial services grow and expand along with the system's growth and expansion, and thereby supporting access to high quality and affordable early learning opportunities for London families.

Applying the Equity and Inclusion Handbook and Gender Equity Lens – Comments from the Anti-Racism and Anti-Oppression Working Group

- The deferral of this funding will have a positive impact for Londoners by reducing the tax levy.
- This funding is to support the future growth of the licensed child care system in London. This funding does not impact the child care waitlist and the services currently provided to Londoners.
- The delay of the construction of three new child care centres approved by the Province of Ontario in 2019 due to COVID-19 means that this funding will be required once the centres are operational (2022).
- It is important to ensure that this future funding is not lost. It is needed to grow the child care system and the ability to provide affordable, quality, and safe licensed child care.

2021 Annual Budget Update

Budget Amendment #5 - Middlesex-London Health Unit - Increased Funding by the Ministry of Health in 2021

Strategic Area of Focus:	Strengthening Our Community
Strategy:	Deliver health protection and promotion programs guided by population health surveillance.
Budget Amendment Type:	Revenue Driver
Description:	Increased Funding by the Ministry of Health in 2021
Service(s):	Middlesex-London Health Unit
Lead:	Dr. Christopher Mackie, Medical Officer of Health

Budget Amendment Tax Levy Impact (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total
Annual Net Tax Levy Impact	N/A	-\$610	\$0	\$0	-\$610
Annual Net Incremental Tax Levy Impact	N/A	-\$610	\$610	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	-0.09%	0.09%	0.00%	0.00% Average
Estimated Annual Rate Payer Impact \$ ¹	N/A	-\$2.94	\$0	\$0	-\$0.73 Average

Subject to rounding.

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

Increased funding by the Ministry of Health in 2021

What is the reason for the budget amendment?

As part of the 2020 to 2023 Multi-Year Budget, an increase in the City of London's share of the Middlesex-London Health Unit's budget was included to reflect the Province's plan to increase the municipal share of public health funding to 30% effective January 1, 2020, noting that the increase in 2020 was capped at 10%. The Minister of Health has recently announced that additional mitigation funding will be available to fully offset the increased costs to municipalities to support the cost sharing change. This funding increase allows the Ministry to cap the municipal funding increase at 0%, providing full mitigation funding, without municipal increases in 2020 and 2021 calendar years.

Operating Budget Table (\$ Thousands)

Middlesex-London Health Unit	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Approved Budget	\$6,705	\$6,705	\$6,705	\$6,705	\$26,818	\$40,227
Cumulative Amendment	N/A	-\$610	\$0	\$0	-\$610	\$0
Amended Budget	\$6,705	\$6,095	\$6,705	\$6,705	\$26,209	\$40,227

Subject to rounding.

Additional Details

The provincial government announced support for public health units as they continue to respond to COVID-19 by investing in one-time mitigation funding for both the 2020 and 2021 calendar years. This funding will ensure that municipalities do not experience any financial impacts as a result of the change to the 70% provincial and 30% municipal cost-sharing formula that was to be effective January 1, 2020. In the current climate there is significant uncertainty beyond 2021 and there is a possibility that the City may incur a further increase over budgeted amounts in 2022 and 2023.

Applying the Equity and Inclusion Handbook and Gender Equity Lens – Comments from the Anti-Racism and Anti-Oppression Working Group

- The increased funding by the Ministry of Health in 2021 will have a positive impact for Londoners by reducing the tax levy.
- A key priority of the Middlesex-London Health Unit is prevention. This is increasingly important, especially in the context of the pandemic where many equity seeking groups have been disproportionately impacted by COVID-19. The Middlesex-London Health Unit budget does not increase over the period of this budget. The negative impacts of no funding increases should be considered. For example, limited access to service and poor health outcomes.

2021 Annual Budget Update

Budget Amendment #6 - Ontario Works - Reduction in Investment in 2021 in Connection with Impacts of COVID-19 Pandemic

Strategic Area of Focus: Growing our Economy
 Strategy: Increase Ontario Works client participation within employment activities
 Budget Amendment Type: Cost Driver
 Description: Reduction in Investment in 2021 in Connection with Impacts of COVID-19 Pandemic
 Service(s): Ontario Works
 Lead: Kevin Dickins, Acting Managing Director Housing, Social Services and Dearness Home

Budget Amendment Tax Levy Impact (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total
Annual Net Tax Levy Impact	N/A	-\$425	\$0	\$0	-\$425
Annual Net Incremental Tax Levy Impact	N/A	-\$425	\$425	\$0	\$0
Estimated Annual Tax Levy Impact % ¹	N/A	-0.07%	0.07%	0.00%	-0.00% Average
Estimated Annual Rate Payer Impact \$ ¹	N/A	-\$2.05	\$0	\$0	-\$0.51 Average

Subject to rounding.

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

Reduction in investment in 2021 in connection with impacts of COVID-19 pandemic

What is the reason for the budget amendment?

In the 2020 to 2023 Multi-Year Budget, Council approved additional funding of approximately \$1.49 million for the Ontario Works Program in light of Provincial funding changes that resulted in the Province capping all municipalities at 2018 levels. This created financial and resourcing pressures for the City to cover the Provincial 50% cost share of inflationary or other service cost increases. One notable increase was the cost of employment related expenses to cover a 17% rate increase for bus passes essential for participation in employment activities and to address existing demand in services. With the onset of the COVID-19 pandemic and associated recovery benefits from the Government of Canada to support Canadians, the Ontario Works program has experienced a decrease in employment related expenses, including the number of bus passes distributed. Civic administration anticipates this reduction to continue in 2021, as recovery benefits are being extended by the Government of Canada.

Operating Budget Table (\$ Thousands)

Ontario Works	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Approved Budget	\$13,689	\$14,257	\$14,776	\$14,938	\$57,660	\$89,628
Cumulative Amendment	N/A	-\$425	\$0	\$0	-\$425	\$0
Amended Budget	\$13,689	\$13,832	\$14,776	\$14,938	\$57,235	\$89,628

Subject to rounding.

Additional Details

The COVID-19 pandemic and the resulting recovery benefits extended by the Government of Canada has impacted caseload and employment related expenses for clients. The average caseload from January through to August has decreased by approximately 6% as compared to 2019, and employment related expenses have decreased by approximately 15%.

This amendment reflects a one-time reduction of employment related expenses for a reduced number of bus passes and employment related expenses that is anticipated to continue into 2021. Civic Administration will reassess the caseload position as the impacts of COVID-19 and recovery benefits phase out in 2021. If a continued reduction in caseload is experienced, further reductions may be brought forward through the 2022 annual budget update process. Because of the uncertainty in the current environment, Civic Administration is not considering permanent reductions at this time.

Applying the Equity and Inclusion Handbook and Gender Equity Lens – Comments from the Anti-Racism and Anti-Oppression Working Group

- The reduction in investment in 2021 will have a positive impact for Londoners by reducing the tax levy.
- Consideration should be given to reallocating these one-time funds to other related programs and services that may impact equity seeking groups.

2021 Annual Budget Update

Budget Amendment #7 - Corporate Services - Administrative Recoveries from Water, Wastewater and Treatment and Joint Water Boards

Strategic Area of Focus:	Leading in Public Service
Strategy:	Develop and monitor the Multi-Year Budget to align financial resources with Council's Strategic Plan.
Budget Amendment Type:	Revenue Driver
Description:	Administrative Recoveries from Water, Wastewater and Treatment and Joint Water Boards
Service(s):	Corporate Services
Lead:	Anna Lisa Barbon, Managing Director, Corporate Services and City Treasurer, Chief Financial Officer

Budget Amendment Tax Levy Impact (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total
Annual Net Tax Levy Impact	N/A	-\$403	-\$578	-\$601	-\$1,582
Annual Net Incremental Tax Levy Impact	N/A	-\$403	-\$175	-\$23	-\$601
Estimated Annual Tax Levy Impact %	N/A	-0.06%	-0.03%	0.00%	-0.02% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	-\$1.94	-\$2.76	-\$2.86	-\$1.89 Average

Subject to rounding.

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

Administrative Recoveries from Water, Wastewater and Treatment and Joint Water Boards

What is the reason for the budget amendment?

An internal service review was undertaken of the administrative expense recoveries in Water, Wastewater and Treatment and Joint Water Board budgets. As a result of this review, it was determined that the full costs associated with supporting these services was not being recovered. As a result, the recoveries in the tax supported services should be increased to reflect the actual costs included in the property tax supported budget to support the Water, Wastewater and Treatment and Joint Water Board budgets.

Operating Budget Table (\$ Thousands)

Administrative Recoveries from Water, Wastewater and Joint Water Boards	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Water, Wastewater and Treatment, JWB Recoveries	-\$4,535	-\$4,740	-\$4,643	-\$4,698	-\$18,616	-\$33,311
Cumulative Amendment	N/A	-\$403	-\$578	-\$601	-\$1,582	-\$3,606
Amended Budget	-\$4,535	-\$5,143	-\$5,221	-\$5,299	-\$20,198	-\$36,917

Subject to rounding.

Additional Details

It is recommended that the revenue budgets in corporate accounts be increased to balance to the administrative expenses included in the Water, Wastewater and Treatment and Joint Water Board budgets. These additional costs were captured in the Water, Wastewater and Treatment and Joint Water Board budgets as part of the approved 2020 to 2023 Multi-Year Budget, however, they were not captured in the tax supported budget last year due to timing reasons.

Applying the Equity and Inclusion Handbook and Gender Equity Lens – Comments from the Anti-Racism and Anti-Oppression Working Group

- The increase to the administrative expense recoveries from the Water, Wastewater and Treatment and Joint Water Board budgets will have a positive impact for Londoners by reducing the tax levy. The delivery of water and wastewater services benefit all residents.

2021 Annual Budget Update

Budget Amendment #8 - Other Related Financing - Reduction to Corporate Contingency Budget

Strategic Area of Focus:	Leading in Public Service
Strategy:	Continue to ensure the strength and sustainability of London's finances.
Budget Amendment Type:	Cost Driver
Description:	Reduction to Corporate Contingency Budget
Service(s):	Other Related Financing
Lead:	Anna Lisa Barbon, Managing Director, Corporate Services and City Treasurer, Chief Financial Officer

Budget Amendment Tax Levy Impact (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total
Annual Net Tax Levy Impact	N/A	-\$500	-\$700	-\$700	-\$1,900
Annual Net Incremental Tax Levy Impact	N/A	-\$500	-\$200	\$0	-\$700
Estimated Annual Tax Levy Impact %	N/A	-0.08%	-0.03%	0.00%	-0.03% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	-\$2.41	-\$3.34	-\$3.34	-\$2.27 Average

Subject to rounding.

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

Reduction to Corporate Contingency Budget

What is the reason for the budget amendment?

Civic Administration regularly reviews the corporate contingency budget to assess the adequacy of this budget based on expenses that have been incurred as well as anticipated future expenditures. Based on a recent review, a reduction to the approved contingency budget is recommended.

Operating Budget Table (\$ Thousands)

Other Related Financing	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Approved Budget	-\$8,063	-\$2,591	\$1,435	\$9,698	\$478	\$58,188
Cumulative Amendment	N/A	-\$500	-\$700	-\$700	-\$1,900	-\$4,200
Amended Budget	-\$8,063	-\$3,091	\$735	\$8,998	-\$1,422	\$53,988

Subject to rounding.

Additional Details

Despite this proposed amendment, Civic Administration anticipates that sufficient budget will be available to service the Corporation's current and anticipated obligations.

Applying the Equity and Inclusion Handbook and Gender Equity Lens – Comments from the Anti-Racism and Anti-Oppression Working Group

- The reduction to the approved contingency budget will have a positive impact for Londoners by reducing the tax levy.

Appendix H - 2021 Annual Budget Update Approach for Budget Reductions

Step 1:

Review and approve any budget reductions proposed by Civic Administration



2021 Draft Budget Amendments (\$Thousands)	2021 to 2023 Gross Expenditure	2021 Tax Levy Impact	2022 Tax Levy Impact	2023 Tax Levy Impact
Case #1: RBC Place London - Promissory Note Forgiveness	-72	0	0	0
Case #2: RBC Place London - Revised Capital Plan	166	0	0	0
Case #3: Recycling and Composting - Repair of Material Recovery Facility Fire Suppressant System	800	0	0	0
Case #4: Children's Services - Reduction in Required Investment in 2021 Due to Impacts of COVID-19	-1,630	-1,630	0	0
Case #5: Middlesex-London Health Unit - Increased Funding by the Ministry of Health in 2021	-610	-610	0	0
Case #6: Ontario Works - Reduction in Investment in 2021 in Connection with Impacts of COVID-19 Pandemic	-425	-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	-1,900	-500	-700	-700

Step 2:

Review approved "For Consideration" 2020-2023 Additional Investment Business Cases that have a tax levy impact



Approved "For Consideration" 2020 to 2023 Additional Investment Business Cases (\$ Thousands)	2021 to 2023 Gross Investment	2021 Tax Levy Impact	2022 Tax Levy Impact	2023 Tax Levy Impact
Case #4B: City of London Infrastructure Gap	6,750	1,500	2,250	3,000
Case #5B Climate Emergency Declaration: Implement Immediate Actions	1,195	318	318	318
Case #7B: Core Area Action Plan	4,275	600	300	300
Case #10B: Housing Development Corporation Funding for Affordable Housing	2,300	670	830	800
Case #17A: Community Improvement Plan: Community Building Projects	130	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	15,256	1,921	1,967	2,016
Case #19: London and Middlesex Community Housing Operating Staffing and Security	5,635	1,347	1,535	1,739
Case #20: London Public Library - Collections	0	0	0	0
Case #21: Regeneration of Public Housing	4,750	500	1,750	2,500
Case #23: Street Light Local Improvement	632	125	131	136
Case #24: Wifi in Recreation Facilities for the Public	155	0	0	0
Case #25: Winter Maintenance Program Support	2,220	740	740	740

Step 3:

Review approved "Administratively Prioritized" 2020-2023 Additional Investment Business Cases that have a tax levy impact



Approved "Administratively Prioritized" 2020 to 2023 Additional Investment Business Cases (\$ Thousands)	2021 to 2023 Gross Investment	2021 Tax Levy Impact	2022 Tax Levy Impact	2023 Tax Levy Impact
Case #1: 60% Waste Diversion Action Plan	16,900	3,900	6,500	6,500
Case #2: Affordable Housing Community Improvement Plan	1,585	187	195	203
Case #3B: Back to the River Environmental Assessment Implementation	1,000	0	0	0
Case #3C: Back to the River Soho Environmental Assessment	500	0	0	0
Case #4A: City of London Infrastructure Gap	2,500	500	1,000	1,000
Case #5A: Climate Emergency Declaration (Develop Action Plan)	0	0	0	0
Case #6: Coordinated Informed Response	5,090	1,655	1,697	1,738
Case #7A: Core Area Action Plan	7,865	2,280	2,580	2,580
Case #8: Dearness Home Auditorium Expansion	2,456	0	259	259
Case #9: Fanshawe College Innovation Village	750	0	0	0
Case #10A: Housing Development Corporation Funding for Affordable Housing	850	100	250	500
Case #11A: Information System - Application Tracking Software	3,300	0	0	0
Case #11B: Information System - Human Capital Management System	881	183	183	183
Case #12: London and Middlesex Community Housing Infrastructure Gap	13,726	1,000	1,500	2,000
Case #13: Master Accommodation Plan	3,000	0	0	0
Case #14: Operations Master Plan 2020	5,018	0	0	0
Case #15: Subsidized Transit Program	2,803	0	0	964
Case #16: T-Block Replacement / New Storage Building	51	0	0	0

Step 4:

Review approved "Provincial Impacts" for potential re-consideration



Approved Provincial Impacts (\$ Thousands)	2021 to 2023 Provincial Impacts	2021 Tax Levy Impact	2022 Tax Levy Impact	2023 Tax Levy Impact
London Transit Commission - Provincial Gas Tax Impacts (for Consideration)	16,445	4,616	4,616	5,482
Ontario Works - Funding Capped at 2018 Levels (for Consideration)	5,037	1,488	1,737	1,812
Child Care Expansion Funding Cost Sharing Changes (for Consideration)	4,890	1,630	1,630	1,630
London Police Services - Grant Funding (for Consideration)	1,916	639	639	639
Conservation Authorities - Hazard Program Funding (for Consideration)	456	150	152	154
Community Safety and Well Being Plan (Bill 175) (for Consideration)	225	75	75	75
Middlesex-London Health Unit Cost Sharing Changes (Administratively Prioritized)	1,829	610	610	610
Child Care Admin Cost Sharing Changes (Administratively Prioritized)	1,206	392	404	410



Step 5:

If Council wishes to make further reductions, direction should be provided regarding the specific area(s) to be reviewed.



2020-2023
**MULTI-YEAR
BUDGET**
City of London

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