

<b>TO:</b>	<b>CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON SEPTEMBER 22, 2020</b>
<b>FROM:</b>	<b>ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>
<b>SUBJECT:</b>	<b>2020 MID-YEAR CAPITAL BUDGET MONITORING REPORT &amp; COVID-19 FINANCIAL IMPACTS</b>

<b>RECOMMENDATION</b>
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That on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer:

- a) the 2020 Mid-Year Capital Budget Monitoring Report & COVID-19 Financial Impacts **BE RECEIVED** for information, it being noted that the life-to-date capital budget represents \$2.4 billion with \$1.6 billion committed and \$0.8 billion uncommitted; it being further noted that the City Treasurer, or designate, will undertake the housekeeping adjustments identified in the Report, in accordance with the Multi-Year Budget Policy adopted by By-law No. CPOL.-45-241;
- b) the following actions be taken with respect to the completed capital projects identified in Appendix "B", which have a total of \$1.6 million of net surplus funding:
  - i) the capital projects included in Appendix "B" **BE CLOSED**;
  - ii) the following actions be taken with respect to the funding associated with the capital projects approved for closure in b) i), above:

Rate Supported

- A) pay-as-you-go funding of \$5,165 **BE TRANSFERRED** to capital receipts;
- B) authorized debt financing of \$542,961 **BE RELEASED** resulting in a reduction of authorized, but unissued debt;
- C) uncommitted reserve fund drawdowns of \$307,461 **BE RELEASED** from the reserve funds which originally funded the projects;

Non-Rate Supported

- D) uncommitted reserve fund drawdowns of \$168,040 **BE RELEASED** from the reserve funds which originally funded the projects;
- E) other net non-rate supported funding sources of \$597,066 **BE ADJUSTED** in order to facilitate project closings.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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Strategic Priorities and Policy Committee, July 14, 2020 meeting, Agenda Item # 3.1.b, 2021 Development Charges Update Covering Report and Proposed By-law  
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=73477>

Strategic Priorities and Policy Committee, June 23, 2020 meeting, Agenda Item # 2.3, COVID-19 Financial Impacts - Update  
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=73213>

Strategic Priorities and Policy Committee, June 23, 2020 meeting, Agenda Item # 2.4, 2020 Assessment Growth Funding Allocation  
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=73214>

Corporate Services Committee, May 11, 2020 meeting, Agenda Item # 2.2, 2019 Year-End Capital Budget Monitoring Report  
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=72773>

## LINK TO 2019-2023 STRATEGIC PLAN

Council's 2019-2023 Strategic Plan for the City of London identifies "Leading in Public Service" as one of five strategic areas of focus. The Capital Monitoring Report supports this strategic area of focus via the strategic priority "The City of London is a leader in public service as an employer, a steward of public funds, and an innovator of service" which includes maintaining London's finances in a transparent and well-planned manner to balance equity and affordability over the long term.

## BACKGROUND

Strong financial management of the capital budget is essential to ensure the budget monitoring processes that are in place demonstrate Civic Administration is providing Council and the community with appropriate information that can be used to promote accountability and transparency, enhance operational effectiveness and promote citizen confidence. To achieve this objective, this report will summarize capital financial impacts of the novel coronavirus (COVID-19), address the life-to-date capital budget, including capital projects recommended to be closed, key financing strategies and emerging issues that may impact the 2020-2029 capital plan. In order to facilitate understanding of the complicated nature of the financial environment the City currently finds itself, the discussion and recommendations related to the capital financial impacts of COVID-19 are included in the 2020 Mid-Year Operating Monitoring Report and are only provided here in summary. The primary source of the capital financial impacts are capital levy and reserve fund contributions, both of which are a component of the City's operating budget.

This report traditionally provides information regarding the status of capital projects with budgets greater than three years old that have no future budget requests (traditionally appendix B) as well as a robust section regarding capital projects ready to be closed (traditionally appendix C, but for this iteration of the capital monitoring report, appendix B). However, this year, COVID-19 has caused an unprecedented interruption to the daily activities of individuals, businesses and institutions around the world. The City of London has similarly experienced operational and financial consequences due to this pandemic. To accommodate the operational challenges caused by COVID-19, this report does not include the traditional appendix B (capital projects with budgets greater than three years old that have no future budget requests) and only provides an abbreviated version of the project closure appendix. This information will be provided again in its normal format for the 2020 Year-End Capital Monitoring Report in the spring of 2021.

Within this report the terms "rate supported" and "non-rate supported" are used when referring to the sources of financing that support the City's capital budget. Rate supported refers to property tax and water and wastewater rate sources of financing (e.g. capital levy, water rates, reserve funds, debt). Non-rate supported refers to sources of financing primarily supported by development charges and in some cases contributions from parties external to the Corporation of the City of London.

## COVID-19 FINANCIAL IMPACTS

As part of the June 23<sup>rd</sup> reports to SPPC titled "COVID-19 Financial Impacts - Update" and "2020 Assessment Growth Funding Allocation" the following items with capital budget impacts were approved by Council:

- 2020 capital projects totalling \$3,539,000 were deferred;
- 2020 additional investments approved during the 2020-2023 Multi-Year Budget totalling \$1,345,000 were deferred;
  - Of the deferred additional investments:
    - \$230,000 related directly to the capital budget
    - \$750,000 related to reserve fund contributions, and
- 2020 assessment growth funding of \$6,338,000 million was deferred.
  - Of the deferred assessment growth funding:
    - \$485,000 related directly to the capital budget
    - \$1,512,638 related to reserve fund contributions

These items were approved due to the City's anticipated budget pressures as a result of COVID-19 and the uncertainty surrounding future Federal/Provincial support. With the recent announcements of financial support for the City of London as part of the Safe Restart Agreement,

Civic Administration is recommending that capital projects previously deferred totalling \$1,120,000 be reinstated, additional investments previously deferred totalling \$1,170,000 (\$30,000 related to the capital budget and \$750,000 related to reserve fund contributions) be reinstated, and assessment growth funding previously held back totalling \$6,338,000 (\$485,000 related to the capital budget, and \$1,512,638 related to reserve fund contributions) be allocated. The recommended amounts for reinstatement are less than what was initially deferred but were based on a review by Civic Administration considering timing issues (more than half the fiscal year has elapsed) and resource constraints. For an in-depth overview of these Civic Administration recommendations, please refer to the *2020 Mid-Year Operating Budget Monitoring Report & COVID-19 Financial Impacts* and the *2020 Assessment Growth Funding Allocation #2* reports also on the September 22, 2020 Strategic Policy & Priorities Agenda.

## 2020 LIFE-TO-DATE CAPITAL BUDGET ACTIVITY AND REVISIONS

After Council approves the capital budget, as the year progresses, reports are presented to Council to approve major contract awards to proceed with capital projects. Each report includes a Source of Financing (SofF). Most awards are within the approved capital budget, but some awards require revisions or adjustments to the capital budget, as detailed in the SofF.

Other capital project awards can proceed with Administrative approval according to the Procurement of Goods and Services Policy. Details on these approvals are provided in an annual report from the Purchasing and Supply Division. Budget adjustments may also result from the application of assessment growth funding, receipt of senior government funding and other revenue sources such as insurance proceeds and private drain connections.

Table 1 summarizes 2020 life-to-date budget adjustments by Tax Supported, Wastewater & Treatment and Water budgets. Appendix “A” provides details on the source of these adjustments.

**Table 1 – 2020 Capital Budget Life-To-Date Revisions as of June 30, 2020 (\$000's)**

Category	2020 Life-to-Date Approved Budget (as of Jan 1, 2020)	2020 Budget Adjustments		2020 Life-to-Date Approved Budget (as of June 30, 2020)
		Council <sup>1</sup>	Administrative <sup>2</sup>	
Tax Supported	\$1,397,050	(\$1,870)	\$1,024	\$1,396,204
Wastewater	699,427	1,401	146	700,974
Water	281,167	0	(236)	280,931
<b>Total</b>	<b>\$2,377,644</b>	<b>(\$469)</b>	<b>\$934</b>	<b>\$2,378,109</b>

\* Amounts subject to rounding.

(1) The negative amount reported under the Council approved budget adjustments column is due to tax supported source of financing changes in response to COVID-19 financial impacts.

(2) The negative amount reported under the Administrative approved budget adjustments column is due to miscellaneous budget adjustments e.g. receipt of contributions from external parties.

As of June 30, 2020 there were 89 discrete contract awards worth \$136.3 million (46 were awarded by Council and 43 were awarded administratively). Table 2 summarizes 2020 year-to-date contract awards by Tax Supported, Wastewater & Treatment and Water. Appendix “A” provides details on all Council awards.

**Table 2 - Contract Awards 2020 Life-To-Date as of June 30, 2020 (\$000's)**

Category	Council Approved Contract Awards		Administration Approved Contract Awards		Total Awards	
	\$ Amount	Number	\$ Amount	Number	\$ Amount	Number
Tax Supported	\$58,352		\$22,988		\$81,340	
Wastewater	28,941		5,204		34,145	
Water	17,157		3,647		20,804	
<b>Total</b>	<b>\$104,450</b>	<b>46</b>	<b>\$31,839</b>	<b>43</b>	<b>\$136,289</b>	<b>89</b>

\* Amounts subject to rounding.

## 2020 LIFE-TO-DATE CAPITAL BUDGET STATUS

A summary of the 2020 life-to-date capital budget, including the committed and uncommitted amounts, is summarized in Table 3. This information is essential for budget monitoring to ensure that spending is being managed within the approved budget.

**Table 3 - 2020 Approved Life-To-Date Capital Budget & Activity (\$000's)**

Category	2020 Life-To-Date (as of June 30, 2020)			Percent Committed
	Approved Budget <sup>1</sup>	Actuals & Commitments (Purchase Orders) <sup>2</sup>	Uncommitted To-Date <sup>2</sup>	
<b>TAX SUPPORTED</b>				
Lifecycle Renewal	482,792	358,843	123,949	74.3%
Growth	579,390	310,909	268,481	53.7%
Service Improvement	334,022	216,222	117,800	64.7%
<b>TOTAL TAX SUPPORTED</b>	<b>1,396,204</b>	<b>885,974</b>	<b>510,230</b>	<b>63.5%</b>
<b>WASTEWATER</b>				
Lifecycle Renewal	191,358	154,753	36,605	80.9%
Growth	350,039	180,940	169,099	51.7%
Service Improvement	159,577	121,835	37,742	76.3%
<b>TOTAL WASTEWATER</b>	<b>700,974</b>	<b>457,528</b>	<b>243,446</b>	<b>65.3%</b>
<b>WATER</b>				
Lifecycle Renewal	191,182	152,014	39,168	79.5%
Growth	80,533	65,957	14,576	81.9%
Service Improvement	9,216	4,750	4,466	51.5%
<b>TOTAL WATER</b>	<b>280,931</b>	<b>222,721</b>	<b>58,210</b>	<b>79.3%</b>
<b>GRAND TOTAL</b>	<b>2,378,109</b>	<b>1,566,223</b>	<b>811,886</b>	
<b>% of Total</b>		<b>65.9%</b>	<b>34.1%</b>	

\* Amounts reported are subject to rounding, year-end audit and associated adjustments.

(1) Totals are for active projects only. Projects approved to be closed during the course of the year are deducted from this table.

(2) Once a capital project has an approved budget, spending or commitments may not be made for several years, for example, longer term projects like multi-purpose recreation centres.

After a review of all active capital projects (excluding projects recommended to be closed as identified in Appendix "C"), it has been determined that there are no projects projected, at this time, to be over budget by more than \$50 thousand upon project completion.

## CAPITAL BUDGET HOUSEKEEPING ADJUSTMENTS

On July 24, 2018, Council approved the Multi-Year Budget Policy. Included in the policy is authorization for the City Treasurer or designate to make adjustments considered "housekeeping" in nature. These adjustments do not have a material impact on the capital plan. Reporting housekeeping budget adjustments of significance through the budget monitoring process, which occurs twice per year, allows more timely disclosure of capital budget adjustments to Council and the community, better reflects operational requirements and keeps the capital budget in a more current state.

The following housekeeping budget adjustments will be processed:

1. Capital project ES5253 (Riverbend Trunk Sanitary Sewer) was established for the extension of the Riverbend Trunk Sanitary Sewer through Phase 2 West Kains Subdivision to Oxford Street West as identified in the Riverbend Sanitary Servicing Study. Currently, this capital project has a budget of \$2.1 million with \$1.1 million in uncommitted funding. The project is significantly under budget due to a favourable tender result caused by an extremely competitive marketplace at the time of the tender award.

**Action:** Surplus funding of \$850 thousand from capital project ES5253 will be utilized to reduce authorized but unissued non-rate support debt, which modestly strengthens the City Services Wastewater Reserve Fund. This increase in financial capacity will be considered when developing the annual budget update and/or capital source of financing reports. The capital project will remain open with an uncommitted balance of \$250 thousand to complete the works remaining (expected completion date Q4 2020).

2. Capital project ES162719 (Residential Meter Replacement Program) was established as an annual program as part of the residential water meter strategy to eliminate a backlog of water meters that have surpassed their useful life. Currently, this capital project has a budget of \$1.8 million with \$1.75 million in uncommitted funding. The project is significantly under budget due to the maturity of the program, which is also visible in the reduction to the 2020-2029 annual budget (original budget \$1.8 million, revised budget \$1.2 million). Given the position of this project, a review of the financing needs for the remaining works was completed, which resulted in the identification of \$800 thousand available for release.

**Action:** Surplus funding of \$800 thousand from capital project EW162719 will be returned to the Water Works Renewal Reserve Fund (the Fund) to modestly strengthen the Fund's financial position to be used for other City initiatives that fall within the Fund's mandate, it being noted that this capital project will remain open with an uncommitted balance of \$950 thousand to complete the 2019 annual residential meter replacement program (expected completion date Q4 2020).

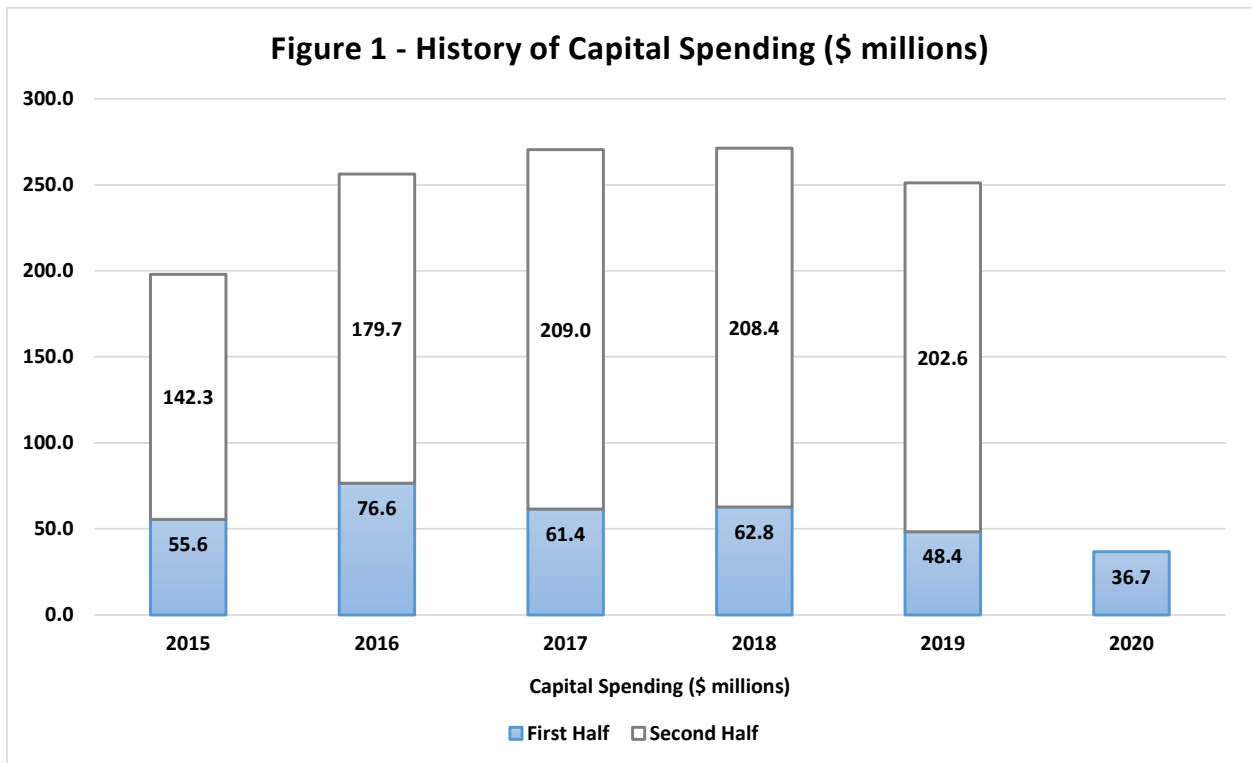
3. Capital project GGSERVLN0000 (Service London) is a transformational initiative aimed at enhancing and improving the delivery of customer services and experiences at the City of London by developing integrated service channels (online, telephone, in-person) and placing customers at the centre of service planning and delivery. Currently, this capital project has a budget of \$3.4 million with \$1.3 million in uncommitted funding. The project is under budget due to favourable tender results caused by an extremely competitive marketplace at the time of the tender awards. Given the position of this project, a review of the financing needs for the remaining works was completed, which resulted in the identification of \$109 thousand available for release.

**Action:** Surplus funding of \$109 thousand from capital project GGSERVLN0000 will be utilized to reduce authorized but unissued tax support debt. This increase in financial capacity will be considered when developing the annual budget update and/or capital source of financing reports. The capital project will remain open with an uncommitted balance of \$1.2 million to complete the works remaining (expected completion date 2023).

## CAPITAL CASH FLOW

Capital spending in a given year is not the same as the capital budget for that year. Spending on capital projects can extend several years after the budget is approved by Council. Spending within a given year is therefore a layering of several capital projects approved in various years and at various stages. Furthermore, total capital spending tends to be greater during the latter part of the year as construction invoices are received, approved and paid. This information is important for the timing of debt issuances, reserve fund drawdowns and cash flow management decisions.

As of June 30, 2020 **total capital spending was \$36.7 million** compared to \$48.4 million in 2019 (Figure 1 below). This variance is attributable to the capital works that have been delayed for various reasons as a result of COVID-19 interruptions.



## COMPLETED (CLOSED) CAPITAL PROJECTS

Civic Administration continues to undertake reviews to close old outstanding projects. This report recommends closing 60 projects with a total budget value of \$65.3 million. The completed projects that are being recommended to be closed were under budget by \$1.6 million in total. The impact of closing the recommended completed projects is summarized in Table 5. For a detailed listing of each completed capital project refer to Appendix “B”.

**Table 5 – Net Impact of Completed Capital Projects – Surplus / (Deficit) (\$000’s)**

Category	Tax/Rate Supported			Non-Rate Supported			Total
	Capital Levy	Debt	Reserve Funds	Reserve Funds <sup>1</sup>	Debt <sup>1</sup>	Other <sup>2</sup>	
Tax Supported	5.2			168.0		195.6	368.8
Wastewater		543.0	73.8			401.5	1,018.3
Water			233.7				233.7
<b>TOTAL</b>	<b>5.2</b>	<b>543.0</b>	<b>307.5</b>	<b>168.0</b>	<b>0.0</b>	<b>597.1</b>	<b>1,620.8</b>

\*Amounts subject to rounding.

(1) Non-rate supported reserve funds / debt primarily supported by Development Charges.

(2) Represents non-City funding sources such as proceeds from external contributors.

The capital closing exercise released uncommitted reserve fund drawdowns of \$475.5 thousand to the reserve funds outlined in Table 6.

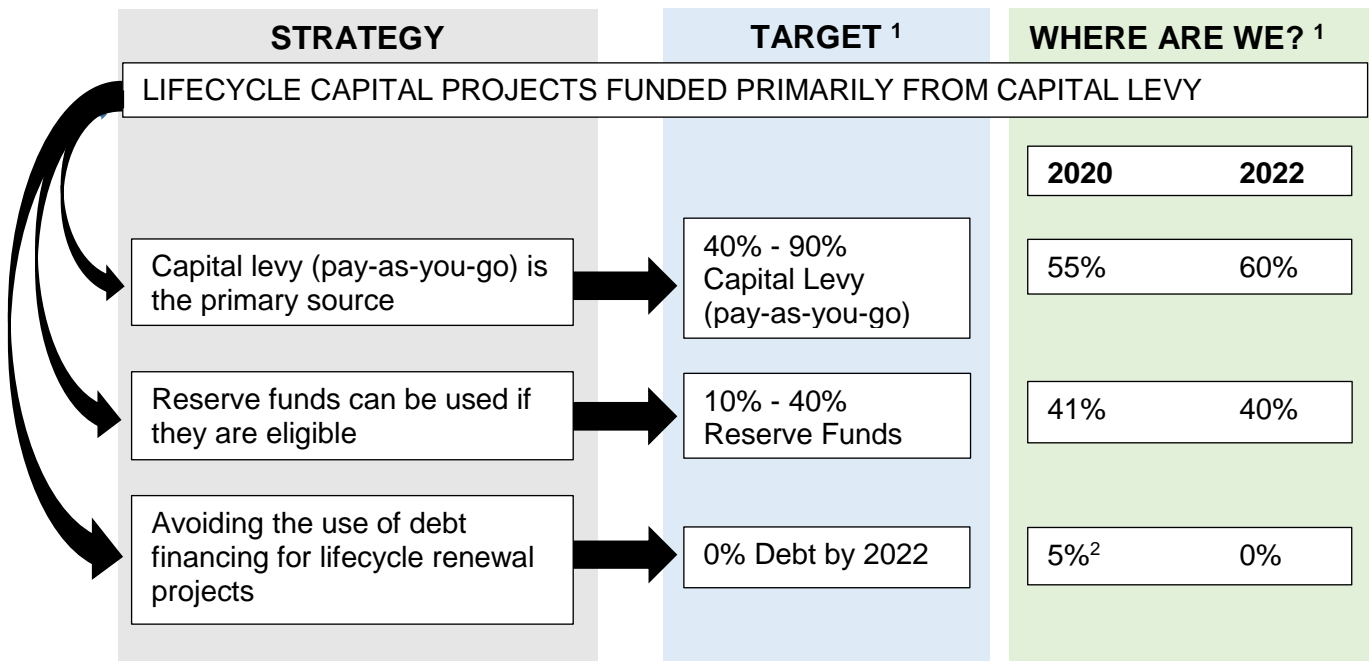
**Table 6 - Reserve Funds Impacted by Recommended Account Closing (\$000’s)**

Tax/Rate Supported		Non-Rate Supported	
Water Works Renewal Reserve Fund	233.7	Parking Facilities Renewal Reserve Fund	157.8
Sewage Works Renewal Reserve Fund	73.8	Parkland Reserve Fund	6.5
		City Services Reserve Fund Roads	3.7
<b>Subtotal Tax/Rate Supported</b>	<b>307.5</b>	<b>Subtotal Non-Rate Supported</b>	<b>168.0</b>
		<b>Total Reserve Funds</b>	<b>475.5</b>

\*Amounts subject to rounding.

## CAPITAL BUDGET FINANCING STRATEGIES – CAPITAL LEVY

The overarching capital financing strategy for capital levy, also referred to as pay-as-you-go financing, is to first apply this funding source to lifecycle renewal capital budgets as the purpose of projects in this classification is to maintain existing infrastructure. Administrative targets have been established, consistent with the overarching strategy and Council approved Capital Budget and Financing Policy, as follows:



(1) Targets apply to the tax/rate supported component only. Non-tax/rate funding (e.g. Federal gas tax, one-time senior government funding) fluctuates based on project mix and program guidelines, beyond the control of Civic Administration.

(2) The 2020-2023 Multi-Year Budget includes minimal lifecycle renewal debt financing in the years 2020 and 2021 before officially meeting the target in 2022.

## CAPITAL BUDGET FINANCING STRATEGIES – RESERVE FUNDS

Discretionary reserve funds are primarily used as a source of financing for lifecycle renewal and service improvement projects where appropriate reserve funds and sufficient balances exist. Obligatory reserve funds are primarily used as a source of financing for growth projects.

Obligatory and discretionary reserve funds are categorized as follows:

### OBLIGATORY

- 1) **City Services Development Charges (DC)** – dictated by the DC by-law
- 2) **Parkland** – cash-in-lieu of parkland dedication through the Parkland Conveyance and Levy By-law (CP-9) according to the Planning Act (Section 51.1)
- 3) **Federal Gas Tax** – funds received under the Municipal Funding Agreement for Transfer of Federal Gas Tax Revenues

### DISCRETIONARY

- 1) **Capital Asset Renewal and Replacement** – to support renewal and replacement of existing assets
- 2) **Capital Asset Growth** – to support Development Charges incentive programs and Industrial Land Development Strategy
- 3) **Specific Projects and New Initiatives** – to support specific planned projects (e.g. economic development, affordable housing, community improvement grants and loans)
- 4) **Contingencies/Stabilization and Risk Management** – to provide contingency funding for specific risk areas

Obligatory and discretionary reserve funds are controlled by municipal by-laws and the City's Reserve and Reserve Fund Policy.

## RESERVES & RESERVE FUNDS – NOTEWORTHY DEVELOPMENTS

Civic Administration presented the Reserve Rationalization Report at the September 25, 2018, Corporate Services Committee meeting (agenda item #2.2) and the Capital Asset Renewal and Replacement Reserve Funds Rationalization Report at the September 8, 2020 Corporate Services Committee meeting (agenda item #2.1). These reports aligned a significant portion of the City's reserve and reserve fund portfolio with key Council approved financial management policies (examples include Reserve and Reserve Fund Policy, Capital Budget and Financing Policy, and Corporate Asset Management Policy). Additionally, through these reports transparency and accountability has been enhanced, target balances have been established, and administrative efficiencies realized.

Civic Administration will continue similar rationalization exercises focusing on the City's capital asset growth reserve funds, special projects & new initiatives reserves and reserve funds, and contingency, stabilization & risk management reserves and reserve funds categories. These categories of reserves and reserve funds provide for:

### Capital Asset Growth

Funds 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. This category of funding supports investments in industrial land development as well as several development charge (DC) incentive programs introduced by the City.

### Special Projects & New Initiatives

Funds established to save for planned or unanticipated projects or expenses that may arise. Key areas these type of funds allow Council to save for include:

- Strategic Plan additional investments, for example Fanshawe College Downtown Campus and London Urban Forestry Strategy;
- Community Improvement Plans (grants and loans) that stimulate targeted reinvestment, coordinate planning efforts, preserve neighbourhood and heritage character, enhance industrial and other business opportunities, and aid in the cleanup of contaminated sites.
- Economic development initiatives, including but not limited to the creation of long-term employment; and
- Investments that play a pivotal role in achieving efficiencies, effectiveness and economy within the City's budget, which may subsequently be paid back or result in a future reduction to tax supported budgets.

### Contingency, Stabilization & Risk Management

Funds set aside to offset future obligations, and mitigate unforeseen events in order to stabilize the tax rate. These funds also contribute to the City's working funds that are required for operating expenditures incurred before taxes are collected.

These reports will be brought forward to Council upon completion, noting that Civic Administration's tentative plans are to complete these reports before the end of 2023.

## CAPITAL BUDGET FINANCING STRATEGIES – DEBT

A summary of the projected debt levels for 2020 is detailed in Table 7.

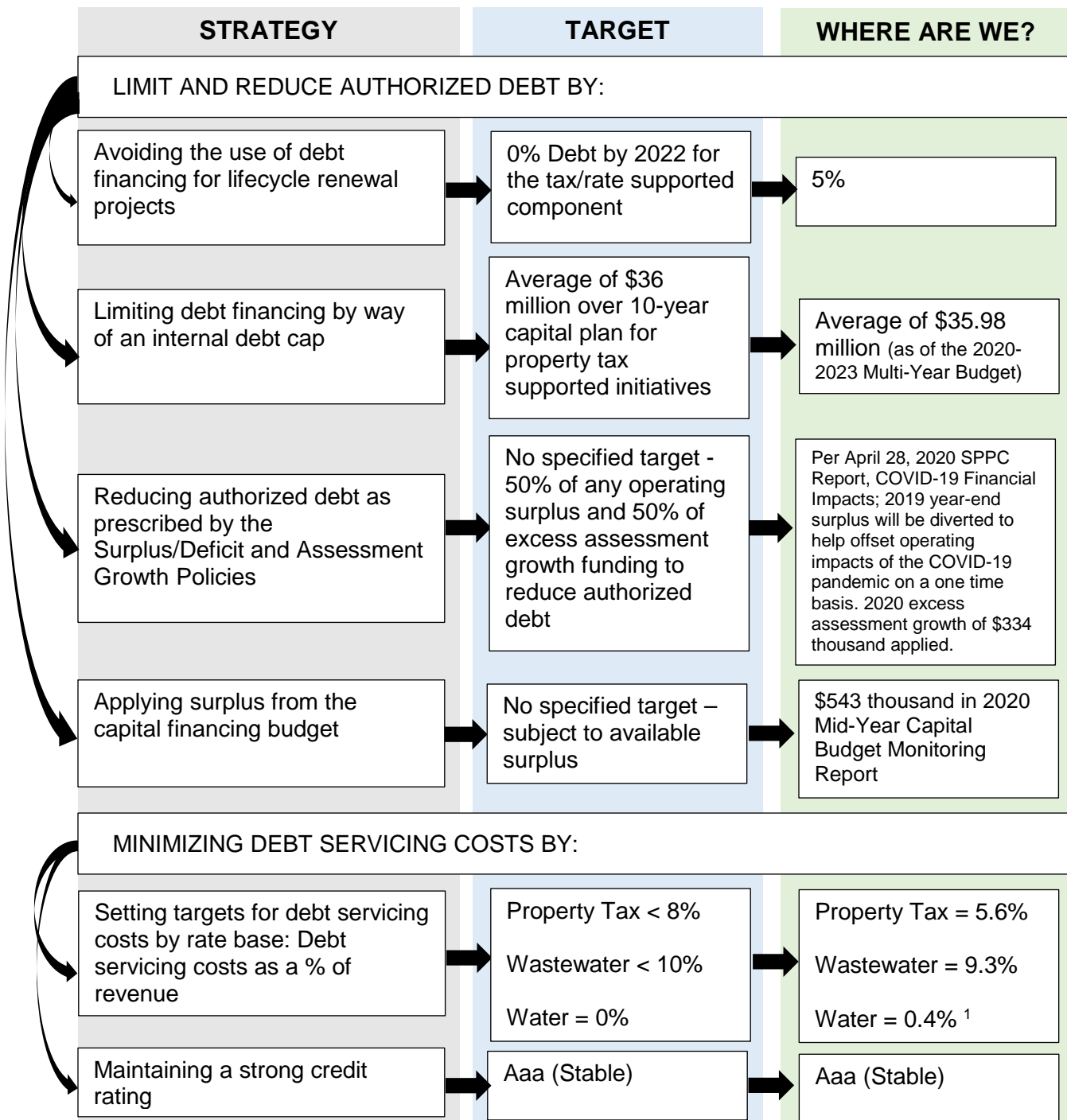
**Table 7 – 2020 Debt Level as of June 30, 2020 (\$ millions)**

Category	Dec 31, 2019 <sup>(1)</sup>	Issued in 2020	Retired in 2020	Dec 31, 2020	Authorized 2020	Total Potential
General Property Taxes	155.8	15.0	31.2	139.7	128.2	267.8
Wastewater	41.7	-	8.7	33.0	3.2	36.2
Water	0.9	-	0.3	0.5	-	0.5
Rate Supported Reserve Funds	10.2	-	4.5	5.8	2.9	8.7
<b>Subtotal</b>	<b>208.6</b>	<b>15.0</b>	<b>44.6</b>	<b>179.0</b>	<b>134.3</b>	<b>313.3</b>
Joint Water Boards - City's Share	12.3	-	2.2	10.1	2.5	12.5
City Services Reserve Funds	79.6	21.0	10.5	90.1	115.7	205.9
<b>Total Debt Level</b>	<b>300.5</b>	<b>36.0</b>	<b>57.3</b>	<b>279.2</b>	<b>252.5</b>	<b>531.6</b>

(1) Outstanding debt level is subject to completion of 2019 financial statement audit. Amounts are subject to rounding.

The City's Debt Management Policy was approved by Council on June 26, 2018 (last review date was May 10, 2019). The policy establishes strategies for the management of the City's debt program. These strategies are outlined below.





(1)The debt servicing costs as a percent of revenue in the Water budget is temporarily over the established target as a result of prior year debt issuances, noting that the Water capital budget has not included rate supported debt financing since 2010.

## EMERGING ISSUES

Table 8 below provides information on emerging issues that may impact the capital budget in 2021 and beyond.

**Table 8 – Emerging Capital Budget Issues**

Emerging Issue Description	Likelihood of Impact on 2021 - 2023 Budget <sup>(1)</sup>
<b>Property Tax</b>	
<p><b>COVID-19 Pandemic</b></p> <p>In order to partially offset the additional costs and lost revenues from COVID-19 as well as the significant disruptions to construction plans caused by social distancing measures, 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</p>	<b>High</b>

<p>contributions to identify those with the ability to absorb a one-year reduction to the contribution.</p> <p>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.</p> <p>On July 27, 2020, the Province 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.</p> <p>In consideration of the federal-provincial allocation, on September 22, 2020, Civic Administration is recommending reinstating \$1.12 million of the capital project deferrals, as well as \$1.17 million of the additional investment deferrals.</p> <p>There remains considerable uncertainty with respect to future financial and operational consequences of COVID-19, particularly in the event of the emergence of a 2<sup>nd</sup> wave. Civic Administration will continue to actively assess these impacts and will report back to Council with any further adjustments to the capital plan, as needed.</p>	
<p><b>Infrastructure Funding</b></p> <p>In early 2019, the federal government 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 Infrastructure Stream (PTIS), and 2) the Community, Culture and Recreation Stream.</p> <p><u>Public Transit Infrastructure Stream (PTIS)</u></p> <p>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.</p> <p>These ten projects are reflected in the 2020–2029 Capital Plan:</p> <ol style="list-style-type: none"> <li>1. Downtown Loop (RTDOWNTOWN)</li> <li>2. East London Link (RTEAST)</li> <li>3. Wellington Gateway (RTSOUTH)</li> <li>4. Expansion Buses (MU1176)</li> <li>5. Bus Stop Amenities (MU1438)</li> <li>6. Intelligent Traffic Signals (TIMMS)</li> <li>7. Adelaide Street Underpass Active Transportation Connections (TS1306)</li> <li>8. Dundas Place Thames Valley Parkway Active Transportation Connection (TS1748)</li> <li>9. Dundas Street Old East Village Streetscape Improvements (TS1749)</li> <li>10. Oxford Street / Wharncliffe Road Intersection Improvements (TS1333)</li> </ol> <p>Many of the projects, all part of the City's Transportation Master Plan, are shovel-ready and for some construction is already underway in 2020.</p> <p>The remaining two Rapid Transit corridors, although not yet submitted for funding, are included in the 2020-2023 Multi-Year Capital Budget and associated forecasts in order to align with the approved 2019 Development Charges Background Study, noting that these projects still require 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-PTIS program requirements.</p>	<p><b>High</b></p>

<p><b><u>Community, Culture and Recreation Stream</u></b></p> <p>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. Successful applicants were to be notified in the summer of 2020, at which time updates to the City’s 2020-2029 Capital Plan may be required.</p> <p><b><u>*New* COVID-19 Resilience Stream</u></b></p> <p>On August 5, 2020, the Federal Government announced a modification to the ICIP funding program, launching a new COVID-19 Community Resilience Stream. This stream will provide \$3.3 billion in total to provinces, with \$1.18 billion earmarked for Ontario. This is funding that was already set aside through ICIP. It is not clear how this announcement will impact the other existing ICIP funding streams.</p> <p>Project approvals will be expedited, with eligible projects including:</p> <ul style="list-style-type: none"> <li>• Retrofits, repairs and upgrades for provincial, territorial, municipal and Indigenous buildings; health infrastructure; and schools;</li> <li>• COVID-19 response infrastructure, including measures to support physical distancing;</li> <li>• Active transportation infrastructure, including parks, trails, foot bridges, bike lanes and multi-use paths; and,</li> <li>• Disaster mitigation and adaptation projects, including natural infrastructure, flood and fire mitigation, and tree planting and related infrastructure.</li> </ul> <p>The federal government will be contributing up to 80% of funding for projects valued less than \$10 million, recognizing fiscal challenges faced by communities. Projects need to be completed by the end of 2021. The program seeks to achieve three primary goals: keep Canadians healthy and safe; create jobs and economic stability; and tackle big challenges like climate change and inequality. Civic Administration will be assessing potential projects for submission through this funding stream.</p>	
<p><b>Bill 108, More Homes, More Choice Act</b></p> <p>The introduction of Bill 108, More Homes, More Choice Act, 2019, was poised to have a substantial impact on the City’s growth capital plan, including the sources of funding available to implement growth capital projects. The City was undertaking efforts to update the 2019 Development Charges (DC) Background Study in accordance with Bill 108.</p> <p>On February 28, 2020, the Provincial government released a regulatory proposal for public feedback that significantly reduces the impact of Bill 108 on the City’s ability to collect development charges on certain community services such as public libraries, long-term care, public health, park developments (excluding land) and recreational facilities. This proposal would require far fewer changes to the 2019 DC Background Study, but the update with a reduced scope will still be required.</p>	<b>High</b>
<p><b>Corporate Asset Management Plan</b></p> <p>On August 27, 2019 Municipal Council approved the 2019 Corporate Asset Management Plan (AMP), an update to the 2014 AMP, which is compliant with O.Reg 588/17 for directly owned City assets. On September 8, 2020, the Corporate AMP 2020 Review was released which showed that the City of London owns and maintains assets with a replacement value of approximately \$21.3 billion (including Water and Wastewater) and that the City manages its infrastructure to keep it in generally ‘Good’ condition. Projected spending on lifecycle assets will be in excess of \$1.8 billion over ten years resulting in an infrastructure investment gap of roughly \$635.0 million over the cumulative 10-year period of 2020-2029.</p> <p>In order to address the infrastructure gap, Municipal Council approved additional funding for the Capital Infrastructure Gap Reserve Fund through the 2020-2023 Multi-Year Budget. The City will also address the gap through different financial strategies including: pursuing funding from external</p>	<b>High</b>

sources; incorporating reinvestment rate concepts through assessment growth; and, continuing to utilize one-time funding where available.	
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<b>Wastewater &amp; Water</b>	
<p><b>Corporate Asset Management Plan 2020 Review (Water; Wastewater)</b></p> <p>The Corporate Asset Management (CAM) Plan outlines the City's plans for the management of its infrastructure. The CAM Plan 2020 Review (September 2020) showed that the City of London owns and maintains approximately \$16.0 billion worth of water and wastewater assets, representing 75% of all City owned assets. The 2020 Review identified a 10-year cumulative infrastructure gap for stormwater, water and wastewater systems of \$18.7 million, a significant decrease from the 2019 reported amount of \$40.0 million.</p> <p>Based on this update and given the present asset information, the projected investment suggested in the 20 year plan is appropriate. Staff will continue to monitor the wastewater infrastructure gap including undertaking study work to provide higher quality information to better quantify the Wastewater Treatment Infrastructure gap moving forward.</p>	<b>High</b>
<p><b>Senior Government Funding Programs (Water; Wastewater)</b></p> <p>The first phase of several projects were completed with funding from federal/provincial programs. There is a risk that the subsequent phases of this previously announced funding will not materialize. This would leave the future phases of several major infrastructure projects incomplete and inoperative. One specific example is the pumping station required for the Vauxhall/Pottersburg interconnection. City staff are monitoring the situation with other levels of government and advocating on behalf of these funding programs while also looking for other grant programs to help offset future costs.</p>	<b>High</b>
<p><b>Climate Emergency Action Plan (Flood Proofing and Protection) (Wastewater)</b></p> <p>Flood proofing of several of the City's wastewater treatment plants and flood control dykes have been identified in the previous 2015-2019 corporate strategic plan. It was anticipated that funding would be available as part of the Federal/Provincial infrastructure program; however, the application window for the next round of funding has been delayed by over one year. If the federal/provincial program is canceled, a strategy for addressing this need will need to be established as part of the budget update process.</p>	<b>Low</b>

(1) Definition of Likelihood:

High – likelihood of the issue impacting the 2021-2023 period is predicted to be greater than 60%.

Medium – likelihood of the issue impacting the 2021-2023 period is predicted to be between 30% and 60%.

Low – likelihood of the issue impacting the 2021-2023 period is predicted to be less than 30%.

<b>CONCLUSION</b>
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Key items included in the 2020 Mid-Year Capital Budget Monitoring Report & COVID-19 Financial Impacts include the following:

- In order to facilitate understanding of the complicated nature of the financial environment the City currently finds itself and due to the linkages to the operating budget, the discussion and recommendations related to the capital financial impacts of COVID-19 are included with the 2020 Mid-Year Operating Monitoring & COVID-19 Financial Impacts report, noting that a summary is included in this report.
- The 2020 life-to-date capital budget:
  - \$1,566.2 million (65.9%) of the \$2,378.1 million 2020 life-to-date capital budget is committed, leaving \$811.9 million (34.1%) of approved capital funding uncommitted.
  - A status update for active 2017 life-to-date capital budgets (2017 and prior) that have no future budget requests will be provided as part of the 2020 Year-End Capital Monitoring Report.
- A total of 60 completed capital projects with a total budget value of \$65.3 million and surplus of \$1.6 million are recommended to be closed with surplus funding returned to the original source of funding (Appendix “B”).
- Emerging issues were identified that may impact the capital budget in the 2021 – 2023 period. Civic Administration will continue to monitor these issues and report back to Council and the community in a timely manner.

<b>PREPARED BY:</b>	<b>REVIEWED BY:</b>
<b>DAVID BORDIN, CPA, CGA MANAGER II, FINANCIAL PLANNING &amp; POLICY</b>	<b>JASON DAVIES, CPA, CMA MANAGER III, FINANCIAL PLANNING &amp; POLICY</b>
<b>CONCURRED BY:</b>	<b>RECOMMENDED BY:</b>
<b>KYLE MURRAY, CPA, CA DIRECTOR, FINANCIAL PLANNING &amp; BUSINESS SUPPORT</b>	<b>ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>

Cc: Ian Collins – Director, Financial Services  
 Alan Dunbar – Manager III, Financial Planning & Policy  
 John Millson – Senior Financial Business Administrator

**Appendix A - 2020 Capital Budget Activity (Life-To-Date June 30, 2020)**

SOF #	Date of Committee Award	Service	Description	Awarded Amount	Budget Adjustments Required
<b>Council Awards</b>					
20001	7-Jan	Transportation Services	Appointment of Consulting Engineers - Downtown Loop and Municipal Infrastructure Improvements	2,280,761	
20001	7-Jan	Water	Appointment of Consulting Engineers - Downtown Loop and Municipal Infrastructure Improvements	449,343	
20001	7-Jan	Wastewater & Treatment	Appointment of Consulting Engineers - Downtown Loop and Municipal Infrastructure Improvements	674,017	
20002	7-Jan	Corporate, Operational & Council Services	RFP 19-55 Replacement of Waterworks Clam Trucks with Dump Bodies	435,218	
20003	6-Jan	Transportation Services	Property Purchase - Adelaide Street Grade Separation Project	1,598,665	
20004	7-Jan	Wastewater & Treatment	Appointment of Consulting Engineers - Gordon Sanitary Trunk Sewer Rehabilitation	192,530	
20005	7-Jan	Wastewater & Treatment	RFP 19-56 SCADA Integration & PLC Programming for the Greenway ORC System	250,149	
20007	20-Jan	Corporate, Operational & Council Services	Phase B Roof Repairs and Minor Stabilization Requirements - Old Victoria Hospital Lands	900,000	
20008	4-Feb	Wastewater & Treatment	RFP 19-33 Restoration of the Farmhouse at Dingman Creek Pumping Station	146,046	
20009	4-Feb	Wastewater & Treatment	RFP 19-59 Installation of Sludge Mixing Systems at Greenway Wastewater Treatment Plant	375,822	
20010	4-Feb	Wastewater & Treatment	Sole Source Award - Purchase of Two Turbo Blowers for the Oxford Wastewater Treatment Plant	288,998	
20012	3-Feb	Transportation Services	Property Purchases - Adelaide Street Grade Separation Project	537,575	
20013	9-Mar	Wastewater & Treatment	Subdivision Special Provisions - Richardson Subdivision Phase 2	50,122	
20013	9-Mar	Transportation Services	Subdivision Special Provisions - Richardson Subdivision Phase 2	320,703	
20015	19-Feb	Transportation Services	Single Source - Transportation Management Centre Fibre Optic Cable	98,354	
20019	10-Mar	Transportation Services	Single Source - Transportation Management Centre Video Management System	80,431	
20022	10-Mar	Transportation Services	Single Source - Purchase for Replacement Land Surveying Equipment	137,064	
20023	10-Mar	Water	RFT 20-23 Watermain Cleaning & Structural Lining	6,904,212	
20024	10-Mar	Wastewater & Treatment	RFT 20-14 Infrastructure Renewal Program - Egerton St., Hamilton Rd and Trafalgar St.	2,138,755	196,754
20024	10-Mar	Water	RFT 20-14 Infrastructure Renewal Program - Egerton St., Hamilton Rd and Trafalgar St.	1,294,667	
20024	10-Mar	Transportation Services	RFT 20-14 Infrastructure Renewal Program - Egerton St., Hamilton Rd and Trafalgar St.	1,718,800	
20025	10-Mar	Wastewater & Treatment	RFT 20-01 Infrastructure Renewal Program - Downtown Sewer Separation Phase 3 Richmond Street	3,559,936	1,040,669
20025	10-Mar	Water	RFT 20-01 Infrastructure Renewal Program - Downtown Sewer Separation Phase 3 Richmond Street	1,377,361	
20025	10-Mar	Transportation Services	RFT 20-01 Infrastructure Renewal Program - Downtown Sewer Separation Phase 3 Richmond Street	1,597,454	
20026	10-Mar	Transportation Services	RFT 20-05 Veterans Memorial Parkway Northward Extension and Huron Street Improvements	9,774,458	
20026	10-Mar	Water	RFT 20-05 Veterans Memorial Parkway Northward Extension and Huron Street Improvements	1,060,379	
20026	10-Mar	Wastewater & Treatment	RFT 20-05 Veterans Memorial Parkway Northward Extension and Huron Street Improvements	1,454,229	
20026	10-Mar	Parks, Recreation & Neighbourhood Services	RFT 20-05 Veterans Memorial Parkway Northward Extension and Huron Street Improvements	27,364	
20027	10-Mar	Wastewater & Treatment	RTF 20-21 Infrastructure Renewal Program - Churchill Ave., Winnipeg Blvd. and Wavell St.	2,501,407	
20027	10-Mar	Water	RTF 20-21 Infrastructure Renewal Program - Churchill Ave., Winnipeg Blvd. and Wavell St.	1,667,606	
20027	10-Mar	Transportation Services	RTF 20-21 Infrastructure Renewal Program - Churchill Ave., Winnipeg Blvd. and Wavell St.	58,765	
20029	10-Mar	Transportation Services	T20-15 Wenige Expressway Bridge Rehabilitation	9,298,673	43,787
20029	10-Mar	Wastewater & Treatment	T20-15 Wenige Expressway Bridge Rehabilitation	300,429	
20029	10-Mar	Parks, Recreation & Neighbourhood Services	T20-15 Wenige Expressway Bridge Rehabilitation	198,115	
20030	10-Mar	Wastewater & Treatment	UTRCA and CoL Flood Protection Projects	246,555	
20031	10-Mar	Corporate, Operational & Council Services	RFT 19-47 Supply & Delivery of Light Duty Fleet Vehicles	1,644,113	
20032	10-Mar	Corporate, Operational & Council Services	RFP 20-04 Supply & Delivery of Electric Ice Resurfacers	765,490	
20033	10-Mar	Transportation Services	Dundas Street - Old East Village Improvements	8,449,243	1,625,449
20033	10-Mar	Wastewater & Treatment	Dundas Street - Old East Village Improvements	3,868,757	
20033	10-Mar	Water	Dundas Street - Old East Village Improvements	1,880,344	
20047	15-Apr	Transportation Services	Appoint Consultant - Exeter Road & Wellington Road Intersection Improvements	206,533	
20047	15-Apr	Water	Appointment of Consulting Engineer - Exeter Road & Wellington Road Intersection Improvements	3,053	
20049	16-Apr	Wastewater & Treatment	T17-52 Contract Price Increase Infrastructure Renewal Program - Frances St., Margaret St. and Ethel St.	228,960	
20049	16-Apr	Water	T17-52 Contract Price Increase Infrastructure Renewal Program - Frances St., Margaret St. and Ethel St.	228,960	
20052	15-Apr	Wastewater & Treatment	Appoint Consultant - Infrastructure Renewal Program - Spruce St & Haig St	182,887	
20052	15-Apr	Water	Appoint Consultant - Infrastructure Renewal Program - Spruce St & Haig St	121,924	
20053	15-Apr	Wastewater & Treatment	RFT20-31 Infrastructure Renewal Program - Contract #7 Devonshire	1,756,664	
20053	15-Apr	Water	RFT20-31 Infrastructure Renewal Program - Contract #7 Devonshire	1,171,110	
20053	15-Apr	Transportation Services	RFT20-31 Infrastructure Renewal Program - Contract #7 Devonshire	587,859	
20054	15-Apr	Wastewater & Treatment	RFT20-31 Infrastructure Renewal Program - Contract #5 Chippendale Crescent Reconstruction	2,061,606	
20054	15-Apr	Wastewater & Treatment	RFT20-31 Infrastructure Renewal Program - Contract #5 Chippendale Crescent Reconstruction	1,374,405	
20055	15-Apr	Wastewater & Treatment	T20-06 Wonderland Road Sanitary Sewer Extension	5,783,918	163,594
20055	15-Apr	Transportation Services	T20-06 Wonderland Road Sanitary Sewer Extension	1,386,643	
20055	15-Apr	Water	T20-06 Wonderland Road Sanitary Sewer Extension	598,952	
20058	27-Apr	Wastewater & Treatment	Subdivision Special Provisions - Foxwood Phase 3	936,521	
20058	27-Apr	Transportation Services	Subdivision Special Provisions - Foxwood Phase 3	30,509	
20059	28-Apr	Social & Health Services	Specialized Housing - 744 Dundas Street	4,500,000	
20060	9-Jun	Parks, Recreation & Neighbourhood Services	RFP20-25 Kiwanis Park Natural Park Playground	304,223	
20061	27-Apr	Wastewater & Treatment	Subdivision Special Provisions - Pond Mills Subdivision - Drewlo Holdings	108,970	
20065	11-May	Transportation Services	Property Purchases - Adelaide Street Grade Separation Project	3,670,748	
20066	14-May	Transportation Services	Property Purchases - Adelaide Street Grade Separation Project	709,165	
20067	26-May	Wastewater & Treatment	Appoint Consultant - Adelaide Wastewater Treatment Plant Upgrades	365,272	
20069	11-May	Transportation Services	Property Settlement - Veterans Memorial South Extension Project	185,710	
20070	12-May	Wastewater & Treatment	T19-41 Contract Price Increase - Infrastructure Renewal Program - Roehampton Ave. & Monsarrat Ave. Reconstruction	94,514	
20070	12-May	Water	T19-41 Contract Price Increase - Infrastructure Renewal Program - Roehampton Ave. & Monsarrat Ave. Reconstruction	399,062	

**Appendix A - 2020 Capital Budget Activity (Life-To-Date June 30, 2020)**

SOF #	Date of Committee Award	Service	Description	Awarded Amount	Budget Adjustments Required
20070	12-May	Transportation Services	T19-41 Contract Price Increase - Infrastructure Renewal Program - Roehampton Ave. & Monsarrat Ave. Reconstruction	31,505	
20073	26-May	Environmental Services	T20-74 W12A Landfill Site Cell 10 Base & Leachate Collection System Construction	4,555,582	
20083	16-Jun	Transportation Services	Property Purchases - Adelaide Street Grade Separation Project	183,000	
20087	22-Jun	Corporate, Operational & Council Services	RFP 20-19 Microwave Backhaul Replacement	823,465	
20088	22-Jun	Corporate, Operational & Council Services	SS 20-16 Single Source Procurement for Router Replacement	262,397	
20089	23-Jun	Transportation Services	Single Source Procurement - Additional Sidewalk Sweeper	123,231	
20090	22-Jun	Transportation Services	Property Acquisition - Wharmcliffe Rd Widening project	783,876	
20094	17-Jun	Transportation Services	Property Purchases - Adelaide Street Grade Separation Project	86,105	
<b>Subtotal Council Awards</b>				<b>104,450,239</b>	<b>3,070,253</b>
<b>Council Approved Budget Adjustments</b>					
N/A	N/A	Property Tax	COVID-19 Budget Adjustments		(3,539,638)
<b>Subtotal Council Awards &amp; Budget Adjustments</b>				<b>104,450,239</b>	<b>(469,385)</b>

	Awarded Amount	Budget Adjustments Required
<b>Council Awards and Budget Adjustments</b>		
Property Tax Budget	58,351,797	(1,870,402)
Wastewater & Treatment Budget	28,941,469	1,401,017
Water Budget	17,156,973	0
<b>Subtotal Council Awards and Budget Adjustments</b>	<b>104,450,239</b>	<b>(469,385)</b>

<b>Administrative Awards and Budget Adjustments <sup>(1)</sup></b>		
Property Tax Budget	22,987,826	1,024,606
Wastewater & Treatment Budget	5,204,421	145,701
Water Budget	3,646,853	(236,044)
<b>Subtotal Administrative Awards and Budget Adjustments</b>	<b>31,839,100</b>	<b>934,263</b>

<b>Total Council and Administrative Awards and Budget Adjustments</b>		
Property Tax Budget	81,339,623	(845,796)
Wastewater & Treatment Budget	34,145,890	1,546,718
Water Budget	20,803,826	(236,044)
<b>Total</b>	<b>136,289,339</b>	<b>464,878</b>

**Notes:**

- 1) Civic Administration source of financing awards are in accordance with the Procurement of Goods & Services Policy and are reported annually through that process. Budget adjustments include additional revenue from private drain connections and other non-tax supported funding sources.

**Appendix B – Completed Capital Projects (as of June 30, 2020)**

Project	Classification	Approved Budget	Actual	Surplus / (Deficit)	Comments (For Variance Greater Than \$50,000)	Funding To Be Returned / (Required)					
						Rate Supported			Non-Rate		
						Capital Levy	Debt	Reserve Fund	Reserve Fund	Debt	Other
<b>TAX SUPPORTED</b>											
PD1033-11 2011 New District Parks	Growth	422,154	422,154	-							
PD2043-13 New Major Open Space Network	Growth	304,331	304,331	-							
PD2043-14 New Major Open Space Network	Growth	51,032	51,032	-							
TS1302-1 Commissioners Road West - Cranbrook Rd to Springbank Dr	Growth	300,000	296,307	3,693					3,693		
SH2080 Social Housing Bldg Inventory	Life Cycle Renewal	117,253	117,253	-							
TS1025 Survey Equipment Replacement	Life Cycle Renewal	140,000	137,064	2,936		2,936					
TS407502 LED Street Light Upgrade Phase 2	Life Cycle Renewal	4,105,849	3,910,287	195,562	Surplus due to favourable tender rates for external contractor along with full contingency not required.						195,562
GG1545-15 Municipal Buildings LCR	Life Cycle Renewal	567,681	567,681	-							
GG154516 Municipal Buildings LCR	Life Cycle Renewal	413,792	413,792	-							
GG155517 City Hall Major Upgrades	Life Cycle Renewal	26,954	26,954	-							
GG162016 Dearness Major Upgrades	Life Cycle Renewal	358,881	358,881	-							
GG162017 Dearness Major Upgrades	Life Cycle Renewal	224,395	224,395	-							
MU113618 Existing Facility Upgrade	Life Cycle Renewal	300,000	300,000	-							
MU113619 Existing Facility Upgrade	Life Cycle Renewal	500,000	500,000	-							
PD102317 Maintain District Parks	Life Cycle Renewal	244,396	244,396	-							
PD128217 Maintain Neighbourhood Parks	Life Cycle Renewal	569,940	569,940	-							
PD275416 Woodland Management	Life Cycle Renewal	119,984	119,984	-		-					
PD3020-13 2013 Maintain Urban Parks	Life Cycle Renewal	161,134	161,134	-							
PD3020-15 Maintain Urban Parks	Life Cycle Renewal	192,800	192,800	-							
PP112316 Replace Firefighter Equipment	Life Cycle Renewal	2,176,467	2,176,467	-							
PP112317 Replace Firefighter Equipment	Life Cycle Renewal	32,580	32,580	-							
PP1176-15 Fire Stations LCR	Life Cycle Renewal	688,160	688,160	-							
PP117616 Fire Stations LCR	Life Cycle Renewal	519,724	519,724	-							
PP431416 Replace Police Vehicles	Life Cycle Renewal	2,005,604	2,005,604	-		-					
TS125418 Localized Roadworks	Life Cycle Renewal	362,613	362,613	-		-					
TS1446-14 Road Rehabilitation	Life Cycle Renewal	10,753,104	10,750,953	2,151		2,151					
TS309318 Parks Major Upgrades	Life Cycle Renewal	491,872	491,872	-							



**Appendix B – Completed Capital Projects (as of June 30, 2020)**

Project	Classification	Approved Budget	Actual	Surplus / (Deficit)	Comments (For Variance Greater Than \$50,000)	Funding To Be Returned / (Required)					
						Rate Supported			Non-Rate		
						Capital Levy	Debt	Reserve Fund	Reserve Fund	Debt	Other
TS4058-14 Traffic Calming Program	Life Cycle Renewal	370,376	370,376	-							
TS405816 Traffic Calming Program	Life Cycle Renewal	366,159	366,159	-							
TS405818 Traffic Calming Program	Life Cycle Renewal	54,455	54,455	-							
TS405819 Traffic Calming Program	Life Cycle Renewal	75,000	74,922	78		78					
TS4067-15 Traffic Signals - Mtce	Life Cycle Renewal	2,876,736	2,876,736	-							
TS618116 Salt and Sand Dome LCR	Life Cycle Renewal	138,505	138,505	-							
TS618618 Centennial Hall Upgrades	Life Cycle Renewal	127,298	127,298	-							
TS620018 Operation Facilities	Life Cycle Renewal	47,564	47,564	-							
GGAPPL1902 Business Intelligence Tool	Life Cycle Renewal	68,688	68,688	-							
GGAPPL1906 Heat System Upgrade	Life Cycle Renewal	3,358	3,358	-							
GGENDUSERA Acquisition of Monitors	Life Cycle Renewal	529,671	529,671	-							
GGENDUSERB Purchase of Computers	Life Cycle Renewal	2,963,467	2,963,467	-				-			
GGENDUSERC Purchase of Servers	Life Cycle Renewal	399,791	399,791	-				-			
GGENDUSERE Purchase of Fire equipment, monitors and related equipment	Life Cycle Renewal	6,799	6,799	-				-			
GGSTOR1902 San Implementation & Backup Consultants	Life Cycle Renewal	146,137	146,137	-							
PP4490 Business Intelligence Software	Service Improvement	186,804	186,804	-							
RC2650 Citi Plaza Leasehold Improvements	Service Improvement	1,685,424	1,685,424	-		-					
SW6053 On Board Weighing & Tracking Technologies	Service Improvement	129,220	129,220	-							
TS4207 Master Meters Parking Project	Service Improvement	1,125,000	967,160	157,840	Surplus due to favourable tender rates for external contractor along with full contingency not required.				157,840		
PD273518 2018 Misc Parkland Acqn	Service Improvement	130,634	124,127	6,507					6,507		
TS6217-15 Facility Energy Management	Service Improvement	1,165,344	1,165,344	-		-					
GGSERVLN1803 SWCC Service London Counter	Service Improvement	16,867	16,867	-							
<b>TOTAL TAX SUPPORTED</b>		<b>38,763,997</b>	<b>38,395,230</b>	<b>368,767</b>		<b>5,165</b>	<b>-</b>	<b>-</b>	<b>168,040</b>	<b>-</b>	<b>195,562</b>

**Appendix B – Completed Capital Projects (as of June 30, 2020)**

Project	Classification	Approved Budget	Actual	Surplus / (Deficit)	Comments (For Variance Greater Than \$50,000)	Funding To Be Returned / (Required)					
						Rate Supported			Non-Rate		
						Capital Levy	Debt	Reserve Fund	Reserve Fund	Debt	Other
<b>WASTEWATER &amp; TREATMENT</b>											
ES3022 Old Oak 2 SWM Facility	Growth	890,044	890,044	-							
ES3067 Trunk Sewer Condition Assessment	Life Cycle Renewal	1,432,954	1,432,954	-							
ES182518 Sewer Video Inspection (CCTV)	Life Cycle Renewal	411,874	411,874	-				-			
ES4834-11 2011 Municipal Drain Mtce	Life Cycle Renewal	203,614	117,114	86,500	Surplus due to favourable tender rates for consulting and external contracting along with full contingency not required.			35,967			50,533
ES483417 Municipal Drain Mtce	Life Cycle Renewal	140,673	124,855	15,818				15,818			
ES483419 Municipal Drain Maintenance	Life Cycle Renewal	70,000		70,000	No maintenance required in 2019.			22,000			48,000
ES2414-14 Sewer Replacement Program	Life Cycle Renewal	12,993,180	12,993,180	-							
ES1721 Economic Development	Service Improvement	8,531,194	7,685,262	845,932	Surplus due to favourable tender rates for consulting and external contracting along with full contingency not required.		542,961				302,971
ES209219 Sump Pump Grant Program	Service Improvement	422,186	422,186	-							
<b>TOTAL WASTEWATER &amp; TREATMENT</b>		<b>25,095,719</b>	<b>24,077,469</b>	<b>1,018,250</b>		<b>-</b>	<b>542,961</b>	<b>73,785</b>	<b>-</b>	<b>-</b>	<b>401,504</b>
<b>WATER</b>											
EW340917 Pumping Stations Annual Program	Life Cycle Renewal	133,775	133,775	-				-			
EW3538 CPP AFO Monitoring Program	Life Cycle Renewal	1,300,000	1,066,324	233,676	Future financing for this work to be undertaken through operating account as it more accurately reflects nature of the expense.			233,676			
<b>TOTAL WATER</b>		<b>1,433,775</b>	<b>1,200,099</b>	<b>233,676</b>		<b>-</b>	<b>-</b>	<b>233,676</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>		<b>65,293,491</b>	<b>63,672,799</b>	<b>1,620,692</b>		<b>5,165</b>	<b>542,961</b>	<b>307,461</b>	<b>168,040</b>	<b>-</b>	<b>597,066</b>