



2020 Mid-Year Monitoring & COVID-19 Financial Update



September 22, 2020



Safe Restart Funding Recently Announced for London

Safe Restart Funding Stream	Amount (\$M)
Municipal Operating – Phase 1*	\$21.9
Municipal Transit – Phase 1*	\$18.5
Social Services Relief Funding (Phase 2)**	\$6.3
Support for Licensed Child Care***	\$5.3
Total:	\$52.0

* Further details on eligibility, reporting requirements, etc. still outstanding. Phase 2 subject to application for funding.

** Business case submissions required to access funding. Civic Administration currently assessing projects to submit for consideration for funding.

*** To be provided to child care operators for PPE, enhanced cleaning, additional staffing for health & safety, etc.



Property Tax Supported Projected Year-end Position

(\$ millions)	Lost Revenues due to COVID-19	Additional Costs due to COVID-19	Total Projected Financial Impacts due to COVID-19	COVID-19 Related Grant Funding	All Other Factors	Projected Surplus/ (Deficit)
Property Tax Supported Civic Service Areas Budgets	(\$25.4)	(\$20.5)	(\$45.9)	\$36.1	\$25.0	\$15.2
Boards & Commissions Budgets	(\$19.2)	(\$3.3)	(\$22.5)	\$18.9	\$3.7	\$0.1
Total Civic Areas and Boards & Commissions	(\$44.6)	(\$23.8)	(\$68.4)	\$55.0	\$28.7	\$15.3
Reinstatement of Previously Deferred Capital Projects – Table 6 in report & recommendation e) i)						(\$1.1)
Reinstatement of Previously Deferred Additional Investment Business Cases – Table 7 in report & recommendation e) ii) & v)						(\$1.3)
Grant to RBC Place – recommendation g)						(\$1.6)
Recommended for contribution to the Economic Development Reserve Fund for economic & social recovery efforts						(\$5.0)
Recommended for contribution to the Operating Budget Contingency Reserve for projected 2021 budget impacts						(\$6.3)
Total Civic Areas and Boards & Commissions Projected Surplus/(Deficit)						\$ -



Water & Wastewater Projected Year-end Positions

(\$ millions)	Lost Revenues due to COVID-19	Additional Costs due to COVID-19	Total Projected Financial Impacts due to COVID-19	COVID-19 Related Grant Funding	All Other Factors	Projected Surplus/ (Deficit)
Water	(\$0.6)	-	(\$0.6)	-	\$1.4	\$0.8
Wastewater & Treatment	(\$2.8)	-	(\$2.8)	\$2.8	\$0.1	\$0.1
Total Water and Wastewater & Treatment	(\$3.4)	-	(\$3.4)	\$2.8	\$1.5	\$0.9
Recommended for contribution to the Water Budget Contingency Reserve for projected 2021 budget impacts – recommendation d)						(\$0.8)
Recommended for contribution to the Wastewater & Treatment Budget Contingency Reserve for projected 2021 budget impacts – recommendation d)						(\$0.1)
Total Water and Wastewater & Treatment Projected Surplus/(Deficit)						\$ -

Other Impacts and Recommendations

- Other COVID-19 financial impacts:

Lost Revenues due to COVID-19	
	(\$M)
Municipal Accommodation Tax Revenues	(\$2.8)
Reserve Funds Investment Income	(\$2.5)
TOTAL:	(\$5.3)

- Recommend further deferral of CIP loan repayments through remainder of 2020;
- Remaining assessment growth funding recommended to be allocated in accompanying report on SPPC agenda – ensure service levels are not eroded in order to service growth.

Anticipated 2021 Budget Pressures

- Some areas are expected to experience COVID-19 impacts that persist into 2021. Examples include:

Area/Impact	Potential Financial Impact (\$M)
London Transit Commission – lower than normal ridership	\$11.3
Ontario Lottery & Gaming Revenues – uncertain re-opening of gaming activities	\$4.6
Investment Income – lower than anticipated interest rates	\$2.5
RBC Place & Centennial Hall – uncertain timing of resumption of large events	\$1.4
Neighbourhood and Recreation Services: User Fee Revenues – uncertain participation rates in recreation programs & facilities	TBD
Development-related Revenues – potential impacts on residential & non-residential building activity	TBD



Anticipated 2021 Budget Pressures

- 2021 preliminary estimates identify at least \$20 Million potential revenue loss.
- Not an exhaustive list and other impacts are still to be determined or may vary from current estimates.
- Significant uncertainty remains, so it is important to plan financially so that we have the ability to address these pressures when they occur.
- Recommended contribution to Operating Budget Contingency Reserve provides this flexibility.