

TO:	CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON SEPTEMBER 22, 2020
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	2020 ASSESSMENT GROWTH FUNDING ALLOCATION #2

RECOMMENDATIONS

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the 2020 Assessment Growth Funding Allocation Report #2 **BE RECEIVED** for information; it being noted that approved assessment growth requests are receiving remaining assessment growth funding previously withheld until full year COVID-19 financial impacts were better known.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Strategic Priorities and Policy Committee, meeting on June 23, 2020, Agenda Item 2.4, 2020 Assessment Growth Funding Allocation:

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=73214>

Strategic Priorities and Policy Committee, meeting on June 23, 2020, Agenda Item 2.3, COVID-19 Financial Impacts – Update:

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=73213>

Strategic Priorities and Policy Committee, meeting on April 28, 2020, Agenda Item 2.1, COVID-19 Financial Impacts and Additional Measures for Community Relief: <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=72691>

Corporate Services Committee, meeting on January 20, 2020, Agenda Item 2.7, Assessment Growth for 2020, Changes in Taxable Phase-In Values, and Shifts in Taxation as a Result of Reassessment: <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=70357>

LINK TO 2019-2023 STRATEGIC PLAN

Council’s 2019-2023 Strategic Plan for the City of London prioritizes “Building a Sustainable City” as a key area of focus, under which “responsible growth” is identified as an individual strategy. The allocation of assessment growth funding ensures that the City is growing in a manner that is consistent with long-term financial sustainability.

BACKGROUND

Assessment growth generally refers to the net increase in assessment attributable to new construction less adjustments resulting from assessment appeals and property tax classification changes. Each year, weighted assessment growth is calculated as it generates incremental tax revenue. For 2020, the weighted assessment growth is 1.63%, or \$9,868,280. This amount, along with the prior year carryover of \$3,334,730, is available to fund costs associated with an expanding and growing city for 2020. The total assessment growth funding available for 2020 is therefore \$13,203,010 as follows:

2020 Assessment Growth (AG) Funding Summary	
<u>AG Funding Available</u>	
Weighted AG at 1.63%	\$ 9,868,280
Prior Year AG Carryover	3,334,730
Total AG Funding Available	\$ 13,203,010

Civic Administration typically brings forward the Assessment Growth Funding Allocation Report on the allocation of this funding at the March Strategic Priorities and Policy Committee (SPPC) meeting.

Given the significant change in circumstances as a result of the COVID-19 pandemic, the report was delayed and brought forward with the accompanying “COVID-19 Financial Impacts – Update” report on the June 23rd SPPC agenda. At that meeting it was resolved that:

- a) *That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the 2020 Assessment Growth Funding Allocation Report **BE RECEIVED** for information; it being noted that approved assessment growth requests are only being partially funded at this time as a result of the projected financial impacts of COVID-19, and that the remaining 2020 assessment growth funding may be used to offset COVID-19 financial impacts on a one-time basis if Federal or Provincial support is not received.*

- b) *notwithstanding Council’s Assessment Growth Policy, for 2020, the following actions be taken:*
 - i) *recognizing that the London Police Services Board has voted to defer three police positions provided for in its original 2020 Assessment Growth Business Case #12 request, the funding for the three positions that is currently allocated to the assessment growth request from the London Police Services Board **BE DEFERRED**; and,*
 - ii) *subject to the approval of part b)i) above, the proposed 2020 funding for the three positions **BE REALLOCATED** to support the 2020 Assessment Growth Business Case #13 Homeless Prevention - Homeless Prevention Allowances.*

UPDATE ON ALLOCATION OF 2020 ASSESSMENT GROWTH

This update is now being submitted in conjunction with the report titled “2020 Mid-Year Operating Budget Monitoring Report & COVID-19 Financial Impacts.”

Since the initial allocation of assessment growth funding in June, there have been significant announcements of financial support to help offset the financial impacts of COVID-19 for the City of London. On July 27, 2020, as part of the Federal-Provincial Safe Restart Agreement, the Ontario government announced that it had secured up to \$4 billion in emergency assistance for Ontario’s 444 municipalities in response to COVID-19. As part of this program, the City of London (under Phase 1 – Municipal Operating Funding) has been notified it will receive an allocation of \$21,959,300. In addition, the City of London will also receive \$18,523,658 through the Municipal Transit Funding Phase 1 funding stream.

With these developments, Civic Administration is moving forward to allocate the remainder of 2020 Assessment Growth that was held back as a precautionary measure in the event that Federal/Provincial support was not available and the remaining unallocated assessment growth funding was required to help offset budgetary pressures. London Transit Commission (LTC) received an amended amount in the previous allocation that represented the total allocation for the year; hence, no further allocation is being provided for with this update. It should also be noted that, as indicated in the June 23rd report outlining initial funding allocations, LTC will be utilizing their funding allocation on a one-time basis to offset their revenue shortfall due to rear door boarding and the inability to collect fare revenues due to social distancing requirements, rather than proceeding with their planned service hour expansion. LTC has further advised that their permanent funding allocation will be used in 2021 and future years to offset insurance cost pressures that would otherwise require a budget amendment in the City’s 2021 Annual Budget Update process.

London Police Services is receiving the remainder of their request less \$516,488 which was allocated to the Homelessness Prevention Allowances case on a one-time basis as directed by Council. All other cases have received the remainder of their full requested allocations.

The following table provides a summary of the 2020 assessment growth business case funding at this time. The full business cases are presented in **Appendix A**.

2020 ASSESSMENT GROWTH							
Program /Case #	Service	Total Funding Requested	Total Funding Allocated	Total Funding Previously Allocated ¹	Total Funding Currently Being Allocated	One-time Funding ² Allocated	Permanent Funding Allocated
ASSESSMENT GROWTH BUSINESS CASES							
CULTURE SERVICES							
TOTAL CULTURE SERVICES		-	-	-	-	-	-
ENVIRONMENTAL SERVICES							
1	Recycling & Composting - Collections	95,914	95,914	47,957	47,957	-	47,957
2	Garbage Collection & Disposal	119,583	119,583	59,792	59,791	-	59,791
3	Garbage Collection & Disposal - Disposal at W12A	26,250	26,250	13,125	13,125	-	13,125
TOTAL ENVIRONMENTAL SERVICES		241,747	241,747	120,874	120,873	-	120,873
PARKS, RECREATION & NEIGHBOURHOOD SERVICES							
4	Aquatic Services	86,845	86,845	61,320	25,525	-	25,525
5	Parks & Horticulture - Parks/Parkland Operations & Maintenance	297,649	297,649	199,955	97,694	-	97,694
6	Parks & Horticulture - Temporary Staff & Roadside Supervisor	178,191	178,191	89,096	89,095	-	89,095
7	Urban Forestry - Forestry Operations	475,023	475,023	237,512	237,511	-	237,511
TOTAL PARKS, RECREATION & NEIGHBOURHOOD SERVICES		1,037,708	1,037,708	587,883	449,825	-	449,825
PLANNING & DEVELOPMENT SERVICES							
8	Planning - Environmentally Significant Area Management	21,811	21,811	10,906	10,905	-	10,905
TOTAL PLANNING & DEVELOPMENT SERVICES		21,811	21,811	10,906	10,905	-	10,905
PROTECTIVE SERVICES							
9	Fire & Rescue Services - New Aerial Company	627,573	627,573	313,787	313,786	-	313,786
10	Fire & Rescue Services - Station 15	833,044	833,044	416,522	416,522	-	416,522
11	Corporate Security & Emergency Management - Guard Services	320,000	320,000	160,000	160,000	-	160,000
12	Police	1,460,732	944,244	241,708	702,536	-	702,536
TOTAL PROTECTIVE SERVICES		3,241,349	2,724,861	1,132,017	1,592,844	-	1,592,844
SOCIAL & HEALTH SERVICES							
13	Homeless Prevention - Homeless Prevention Allowances ³	500,000	1,016,488	766,488	250,000	-	250,000
TOTAL SOCIAL & HEALTH SERVICES		500,000	1,016,488	766,488	250,000	-	250,000
TRANSPORTATION SERVICES							
14	London Transit Commission	1,892,400	1,095,000	1,095,000	-	-	-
15	Roadway & Winter Maintenance/Roadway Planning & Design □	620,811	620,811	310,406	310,405	-	310,405
16	Traffic Control & Street Lights - Traffic Signal Growth	51,044	51,044	25,522	25,522	-	25,522
17	Traffic Control & Street Lights - Street Light Growth	143,355	143,355	71,678	71,677	-	71,677
18	Traffic Control & Street Lights - Transportation Intelligent Mobility Mngt System (TIMMS)	661,500	661,500	330,750	330,750	-	330,750
TOTAL TRANSPORTATION SERVICES		3,369,110	2,571,710	1,833,356	738,354	-	738,354
CORPORATE, OPERATIONAL & COUNCIL SERVICES							
19	Facilities - Maintenance	144,010	144,010	89,505	54,505	-	54,505
20	Facilities - Operation Centre	920,000	920,000	460,000	460,000	-	460,000
21	Corporate Services, Corporate Planning and Public Support	449,550	449,550	224,775	224,775	25,000	199,775
22	Realty Services	239,714	239,714	119,857	119,857	-	119,857
TOTAL CORPORATE, OPERATIONAL & COUNCIL SERVICES		1,753,274	1,753,274	894,137	859,137	25,000	834,137
FINANCIAL MANAGEMENT							
23	Capital Financing - Public Housing Major Upgrades RF Contribution	500,000	500,000	250,000	250,000	-	250,000
24	Capital Financing - Corporate Asset Mgt Reinvest. for Growth Assets ⁴	2,239,786	2,369,406	1,119,893	1,249,513	-	1,249,513
25	Finance - Financial Services	298,225	298,225	149,113	149,112	-	149,112
TOTAL FINANCIAL MANAGEMENT		3,038,011	3,167,631	1,519,006	1,648,625	-	1,648,625
TOTAL ASSESSMENT GROWTH BUSINESS CASES		\$ 13,203,010	\$ 12,535,230	\$ 6,864,667	\$ 5,670,563	\$ 25,000	\$ 5,645,563
Notes:							
1. Amounts include permanent and one-time allocations from agenda item 2.4 from June 23, 2020 SPPC meeting.							
2. One-time funding will be carried forward to the following year as a permanent source for future growth costs.							
3. Previously allocated includes \$516,488 reallocated from case #12 to #13 on one-time basis per resolution on item 2.4 from June 23, 2020 SPPC meeting.							
4. Funding for case allocated to level recommended in case submission due to assessment growth capacity. Previously limited to total amount available.							

The following table provides a summary of the 2020 allocation after this update:

2020 Assessment Growth (AG) Allocation Summary		
Total AG Funding Available		\$ 13,203,010
Permanent Service Area Requests (June 2020 Allocation)	(6,175,124)	
One-Time Service Area Requests ¹ (June 2020 Allocation)	(689,543)	
Permanent Service Area Requests (Current Allocation)	(5,645,563)	
One-Time Service Area Requests ¹ (Current Allocation)	<u>(25,000)</u>	
Total AG Business Case Requests		(12,535,230)
AG Funding Remaining after Business Case Requests		667,780
<u>Policy Allocation</u>		
50% Debt Reduction on a One-Time Basis ¹		(333,890)
50% Capital Infrastructure Gap Reserve Fund on a One-Time Basis ¹		(333,890)
		-
<i>Note 1: One-time allocations from 2020 will be carried forward as available funding in 2021 (total of \$1,382,323)</i>		

CONCLUSION

Assessment growth from new homes and businesses generates incremental tax revenue that is typically used to fund the extension of municipal services required for an expanding City. As the City of London is receiving Safe Restart Agreement funding to help offset the financial impacts of COVID-19, Civic Administration is releasing the previously held back 2020 Assessment Growth funding. Allocation of the remaining assessment growth funding helps to ensure that a degradation of service levels will not occur. Many services receiving allocations are required to be delivered regardless of the amount of assessment growth funding received; without the assessment growth funding allocation these services would be forced to find savings elsewhere in their budgets.

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Appendix A – Assessment Growth Business Cases

2020 Assessment Growth Business Case #1

Service Grouping	Garbage, Recycling and Composting
Service	Recycling & Composting
Background/Description of Change	Every year, collection of recyclables must be expanded to include newly constructed homes that receive curbside and multi-residential collection. These materials are collected under contract.

1. Background

a) Area Currently Served by Unit of Measure

Currently providing recycling collection to approximately 127,000 curbside household units and 53,800 multi-residential units.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$5,634,279 –(2018 Actuals)	0	0

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$44.94 per curbside household unit and \$13.16 per multi-residential unit	Not Applicable

d) If this is a Contracted Service, what is the Percentage Contracted Out?

100% of this service is contracted out.

e) Assets Currently Used to Provide Service

None.

2. Request

a) Growth Area by Unit of Measure

Expect to add approximately 1,900 curbside household units (assume 1.5% growth) and 800 multi-residential units in 2020 (1.5% growth). The incremental additional cost of adding one household unit is estimated to be \$44.94 and adding one multi-residential unit is \$13.16.

The growth in Recycling Collection amounts to \$95,914 (1,900 curbside household units X \$44.94 + 800 multi-residential units X \$13.16).

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
0	0	\$0

c) Impact of Growth – Costs

Operating	\$95,914
Capital Cost of Incremental Assets	\$0
Total Growth Request	\$95,914

d) Impact on Assets Used to Provide Service

N/A

2020 Assessment Growth Business Case #2

Service Grouping	Garbage, Recycling & Composting
Service	Garbage Collection & Disposal
Background/Description of Change	Every year, collection of garbage, yard materials and fall leaves must be expanded to include newly constructed homes that receive curbside collection. These materials are primarily collected by City forces.

1. Background

a) Area Currently Served by Unit of Measure

Currently providing garbage collection to approximately 127,000 curbside household units and 53,800 multi-residential units.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$8,713,757 (2019 Budget)	59	67.1

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$48.53 per curbside household unit \$34.22 per multi-residential unit	2,694 units per FTE

d) If this is a Contracted Service, what is the Percentage Contracted Out?

Approximately 5% of this service is contracted out.

e) Assets Currently Used to Provide Service

Garbage collection vehicles.

2. Request

a) Growth Area by Unit of Measure

Expect to add approximately 1,900 curbside household units (assume 1.5% growth) and 800 multi-residential units in 2020 (1.5% growth). The incremental additional cost of adding one household unit is estimated to be \$48.53 and adding one multi-residential unit is \$34.22.

The growth in Garbage Collection amounts to \$119,583 (1,900 curbside household units X \$48.53 + 800 multi-residential units X \$34.22).

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
	1.0	\$80,000

c) Impact of Growth – Costs

Operating	\$119,583
Capital Cost of Incremental Assets	\$0
Total Growth Request	\$119,583

d) Impact on Assets Used to Provide Service

None.

2020 Assessment Growth Business Case #3

Service Grouping	Garbage, Recycling and Composting
Service	Garbage Collection and Disposal
Background/Description of Change	Disposal at W12A - Every year long-term disposal capacity requirements increase because of newly constructed homes that receive curbside collection, multi-residential units that receive multi-residential collection and waste from City operations serving these areas (e.g., more street sweepings). There is a need to increase the contribution to the Sanitary Landfill Reserve Fund to cover capital costs associated with this growth.

1. Background

a) Area Currently Served by Unit of Measure

Currently providing recycling collection to approximately 127,000 curbside household units and 53,800 multi-residential units.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
Varies*	Not Applicable	Not Applicable

*Contributions to the Sanitary Landfill Reserve Fund can vary based on tonnage received.

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$15 per tonne	Not Applicable

d) If this is a Contracted Service, what is the Percentage Contracted Out?

100% of the capital projects at the W12A landfill are contracted out. Approximately 65% of the operating budget is expended on contracted or private services at the landfill.

e) Assets Currently Used to Provide Service

The cost to replace capacity at the W12A landfill and cover long-term perpetual care costs is estimated to be \$15 per tonne.

2. Request

a) Growth Area by Unit of Measure

Expect to add approximately 1,900 curbside household units (assume 1.5% growth) and 800 multi-residential units in 2020 (1.5% growth).

Each year approximately 2,000 to 3,000 stops/units are added which generates between 1,000 and 1,500 tonnes of garbage (0.5 tonnes of garbage per stop). City operations (e.g., street sweepings from roads, garbage from parks, etc.) typically bring approximately 35,000 to 40,000 tonnes of waste to the landfill each year. This quantity is expected to grow by about 400 tonnes per year as new roads and parks are built to service growth.

The growth in the City will require an increase in contributions to the Sanitary Landfill Reserve Fund of \$26,250 (1,750 tonnes X \$15/tonne). Operating costs are not impacted by this small amount of waste that arrives (i.e., the amount of 6 or 8 tonnes per day) is absorbed into the existing operations, however an increase in the contribution to the Sanitary Landfill Reserve Fund is required.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
0	0	\$0

c) Impact of Growth – Costs

Operating	\$26,250
Capital Cost of Incremental Assets	\$0
Total Growth Request	\$26,250

d) Impact on Assets Used to Provide Service

Growth in the City has been taken into account when estimating remaining life of the landfill.

2020 Assessment Growth Business Case #4

Service Grouping	Neighbourhood & Recreation Services
Service	Aquatic Services
Background/Description of Change	Aquatic / Parks Operations

1. Background

a) Area Currently Served by Unit of Measure

Facilities serviced by the department include 11 outdoor pools, 9 wading pools and 16 spray pads and multiple field houses. A vehicle and staff are required to support the additional full time aquatic operations and the daily field house opening and closing.

The crews open and close washrooms daily across the city, and clean them on a regular basis. They also support other operational requirements such as spray pad power washing and inspections, emptying of garbage in parks around the city, grass cutting, support for park site wading pools, maintenance in our pool enclosures and needle cleanup to immediate safety requests in our park systems.

Additional field houses and spray pads will be required to be supported using already stretched resources. Riverbend and Foxfield spray pads will be operational in 2020 as well as Windermere Killaly Sports field, Lambeth Hamlyn, and Glanworth are additional facilities needing to be added to the operational complement, (5 new facilities).

b) Current Cost and Labour for Service or Program Provided (Annual operating costs for maintaining the facilities)

Total (Annual) Operating Cost	FT#	FTE#
\$367,542	3	3.1

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Facilities)

Unit of Measure Cost	Unit of Measure FTE
\$10,210	11.6 Facilities per FTE

d) If this is a Contracted Service, what is the Percentage Contracted Out? 0%

e) Assets Currently Used to Provide Service

Internal fleet resources, which will be increased to support the facilities coming on line in 2020.

2. Request

a) Growth Area by Unit of Measure
5 (new facilities) * \$10,210 = \$51,050

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
0	0.73	\$37,441

c) Impact of Growth

Operating (<i>Growth area x unit of measure cost of service</i>)	\$37,441+\$13,609*
Capital Cost of Incremental Assets	\$35,795**
Total Growth Request	\$86,845

* Truck rental for 5 months, and internal rent charges for equipment.

**The vehicle requirements is in line with current practices – fleet has provided specifications for an F150 truck with a power lift gate. This is required to support the moving of chemicals, and operational equipment to support the pool operations. It is also used for garbage pickup in parks operations we support.

d) Impact on Assets Used to Provide Service

Increase in fleet capacity to Aquatics Services.

2020 Assessment Growth Business Case #5

Service Grouping	Parks and Recreation
Service	Parks and Horticulture
Background/Description of Change	Parks Operations and Road-Side Grass Maintenance - The current budget for Parks operations is based upon a service level standard achieved in 2019. A total 35.63 hectares (Ha) of new parkland and open spaces have been added to the system across the city. In order to maintain the existing level of service in 2020 additional staff resources are required to service new parks and open space areas. Additionally, in order to maintain the existing level of service additional staff resources are required to service new road-side mowing, median planters and cul-de-sacs.

1. Background

a) Area Currently Served by Unit of Measure

Data is collected for these measures to report to MBNC and the amount of new parklands assumed through development processes per year is fairly consistent. Lands added to the parks inventory each fall are generally maintained starting the following year. At the end of 2018, the City had 2,781 Ha of parkland, which has increased by 35.63 Ha in 2019. The City also currently has numerous turning circles, cul-de-sacs and medians of various sizes that all require regular grass mowing and many have horticultural features in them that also require separate landscape maintenance. This is in addition to over 220 km of boulevard grass mowing (of various widths) mainly along arterial roads where adjacent property owners do not maintain the boulevards. The cost to maintain roadsides is approximately \$1.36M / year in total, as we don't have a separate cost for boulevards at this time. For 2020 the City has assumed for maintenance: 5 new turning circles (\$1,000/year each), 4 with landscaping (\$7,500/year each), 3 new cul-de-sacs (\$500/year each) and 4 new road medians (\$1,500/year each), 3 with landscaping (\$18,000/year each).

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$8,382,606		74.09

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$3,014/Ha	0.027 FTE/Ha

d) If this is a Contracted Service, what is the Percentage Contracted Out? 0%

e) Assets Currently Used to Provide Service

Internal fleet resources, which will be increased to account for the additional property management expenses.

2. Request

a) Growth Area by Unit of Measure

35.63 Ha (35.63 * \$3,014) = \$107,389

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
	1.95	\$73,700

c) Impact of Growth – Costs

Operating (<i>Growth area x unit of measure cost of service</i>)	\$73,700+\$121,689*
Capital Cost of Incremental Assets	\$102,260**
Total Growth Request	\$297,649

* Includes materials and supplies, external rental costs, and internal rent charges for equipment.

** Turf maintenance equipment and 2 trailers will be added to the fleet. These assets will be used by additional temporary staff to maintain the new hectares of parkland added to the system.

d) Impact on Assets Used to Provide Service

Increase in fleet capacity for parks and horticulture maintenance.

2020 Assessment Growth Business Case #6

Service Grouping	Parks and Urban Forestry
Service	Parks and Horticulture
Background/Description of Change	Parks Operations and Road-Side Grass Maintenance -The current Parks Operations Program continues to grow yearly to supporting new resident driven programs; added events; festivals and tournaments; more evening and weekend services; and additional parks, open spaces and road maintenance due to growth. Additional temporary staff is required to support the growth ensuring service level standards are maintained. At this time, an additional Supervisor is also required to manage the growth in the staff complement and operations city-wide through longer days and weekends.

1. Background

a) Area Currently Served by Unit of Measure

In order to maintain the service level frequency last achieved in 2016, and accommodate a growing demand for service demonstrated by increases in movie nights (12 to 37), special events (120 to 186), and tournaments (42 to 82), Parks Operations requires 1.75 FTE new temporary staff to adequately provide evening and weekend coverage to prepare, support, and clean-up sites. The incremental amount of events total 131 driven by increased demand as a function of growing populations and residential communities. To carry out the diverse tasks required in Parks Operations in each District – seven days a week and extended daily hours including, horticulture, park and road-side grass mowing, garbage removal and the event and tournament functions from above, Supervisors must allocate staff within several crews and track their daily activities across a wide area of the City. They also direct the activities of contractors for smaller projects. Since 2016 activities are now 7 days a week and into the evenings on various shifts. Permanent staff form part of the complement for the summer season (April 15 – September 15) and then most move to arenas for the winter and those numbers have remained fairly constant. However, since the last supervisor was added, the temporary staff complement has grown from 99 in 2015 to 138 in 2019. At this time, 1 new Supervisor is needed to manage increased staffing levels, coordinate the various discrete tasks/duties performed, cover evenings and weekends, respond to daily issues and accomplish the broad work program safely.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$236,981		3.33

c) Unit of Measure Cost of Service (current cost/labour divided by events)

Unit of Measure Cost	Unit of Measure FTE
\$1,360.24	0.019

d) If this is a Contracted Service, what is the Percentage Contracted Out? 0%

e) Assets Currently Used to Provide Service internal fleet resources

2. Request

a) Growth Area by Unit of Measure

131 events (131*1,360.24) = \$178,191

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
Temporary Staff	1.75	\$72,000
Supervisor	1.00	\$106,191
Total	2.75	\$178,191

c) Impact of Growth – Costs

Operating (<i>Growth area x unit of measure cost of service</i>)	\$178,191
Capital Cost of Incremental Assets	N/A
Total Growth Request	\$178,191

d) Impact on Assets Used to Provide Service

n/a

2020 Assessment Growth Business Case #7

Service Grouping	Parks & Urban Forestry
Service	Urban Forestry
Background/Description of Change	Growth in the number of new trees planted in parks, on boulevards, open spaces and in recently assumed subdivisions. Growth in the number of assumed woodlands.

1. Background

a) Area Currently Served by Unit of Measure

Over 200,000 inventoried trees on boulevards and manicured parks, over 460 woodlands and 1,203 hectares of forested area.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$4.6M	24	27.5

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$20.47 per tree, \$2,000 per woodland and \$296.95 per ha	1 FTE:12,500 trees

d) If this is a Contracted Service, what is the Percentage Contracted Out?

Based on 2019 approved budget, 38% is contracted out.

e) Assets Currently Used to Provide Service

Internal fleet and contracted services.

2. Request

a) Growth Area by Unit of Measure

18,000 new trees, 8 assumed woodlands with trees, newly assumed boundary trees 4,139, and 19.66 hectares of forested area.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
0	0	\$0

c) Impact of Growth – Costs

Operating	<p>Trees: $\\$20.47/\text{tree} \times 18,000 = \\$368,460$ (Reforest London, City Plantings, Parks Planning).</p> <p>Boundary Trees: 4,139 (newly assumed) that will require ongoing maintenance. $4,139 \times \\$20.47 = \\$84,725$</p> <p>Woodlands: $\\$2,000/\text{woodland} \times 8 = \\$16,000$</p> <p>Forested Area $\\$296.95/\text{ha} \times 19.66\text{ha} = \\$5,838$</p>
Capital Cost of Incremental Assets	
Total Growth Request	\$475,023

d) Impact on Assets Used to Provide Service

Contracted and internal resources will service these assets.

2020 Assessment Growth Business Case #8

Service Grouping	Planning Services
Service	Planning Services
Background/Description of Change	Growth in Environmentally Significant Areas (ESA) Managed

1. Background

a) Area Currently Served by Unit of Measure

735.6 ha of City Owned ESA land within 11 ESAs (2019)

As the City grows, we continue to acquire more Environmentally Significant Areas (ESAs). Since 2002, the City has contracted with the Upper Thames River Conservation Authority (UTRCA) to manage the City's ESAs. At the time of the renewal of the previous contract in 2014, 631 ha of ESA lands were managed by the UTRCA. In 2019, this increased to 735.6 ha. In October, 2018, Municipal Council renewed the contract for the term of January 1, 2019 to December 31, 2023. Under this contract, the UTRCA provides the following services for the city-owned lands that it manages on our behalf. General management items, as follows:

1. Monitoring and enhancing the natural resources (40% of time)
2. Enforcing applicable provincial statutes, regulations, and municipal bylaws (20%)
3. Implementing risk management, encroachment and tree hazard programs (5%)
4. Developing and maintaining trail networks and supporting infrastructure (30%)
5. Coordinating educational programs, special events and community projects (5%)

The contract includes provisions that permit an increase as new ESA lands are acquired at the rate established in the contract.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$515,243 (2019) excl.GST	n/a	n/a

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$700.44 per hectare (2019)	n/a

d) If this is a Contracted Service, what is the Percentage Contracted Out?

100% contracted out

e) Assets Currently Used to Provide Service

None

2. Request

a) Growth Area by Unit of Measure

Anticipate 30 ha of city-owned land being added to the contract in 2020.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
n/a	n/a	n/a

c) Impact of Growth – Costs

Operating	30ha X \$727.02 (2020 rate = \$21,811)
Capital Cost of Incremental Assets	n/a
Total Growth Request	\$21,811

d) Impact on Assets Used to Provide Service

None. This is a fully contracted service, and there are no city-owned assets used to provide the service.

2020 Assessment Growth Business Case #9

Service Grouping	Fire Services																
Service	Fire & Rescue Services																
Background/Description of Change	<p>Add additional Aerial Company to provide aerial coverage to respond to the number of new buildings that are high-rises as well as those three stories or greater. The continually increasing number of these taller buildings throughout the whole City creates additional specialized risks that the current resources are being taxed to cover. The current three Aerial Companies are travelling further and with increased population comes an increased number of responses also.</p> <p>There has been an average increase of 750 units in higher buildings per year from 2009-to date. With the anticipation of 2 people per unit, there are approximately 1,500 additional people per year moving into higher buildings. Over a 10 year period that is a service increase of over 15,000 people in high buildings.</p> <p>The current three aerial devices have responded to increased number of calls for service per year. The chart below shows the year and total calls for service for the current three aerial apparatus.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th></th> <th style="background-color: #e0e0e0;">2015</th> <th style="background-color: #e0e0e0;">2016</th> <th style="background-color: #e0e0e0;">2017</th> <th style="background-color: #e0e0e0;">2018</th> <th style="background-color: #e0e0e0;">2019</th> </tr> </thead> <tbody> <tr> <td>Total Calls/Year</td> <td>2,953</td> <td>2,975</td> <td>3,033</td> <td>3,086</td> <td>3,339</td> </tr> </tbody> </table>						2015	2016	2017	2018	2019	Total Calls/Year	2,953	2,975	3,033	3,086	3,339
	2015	2016	2017	2018	2019												
Total Calls/Year	2,953	2,975	3,033	3,086	3,339												

1. Background

a) Area Currently Served by Unit of Measure

There are currently 23 frontline vehicles and 14 Fire Stations located throughout the City. Of these, there are 3 frontline Aerial Apparatus that are in service for high building firefighting operations.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$54,910,592	347	351.5

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$2,745,530 / Vehicle*	17.6 FTE / Vehicle*

*Does not include Command Cars

d) If this is a Contracted Service, what is the Percentage Contracted Out?

n/a

e) Assets Currently Used to Provide Service

There are currently 20 front-line vehicles in service at any given time, not including Command Cars.

2. Request

a) Growth Area by Unit of Measure

1 additional Vehicle = \$2,745,530

b) Impact of Growth – Staffing – Staff will not be hired until the company is operational in 2023.

Staffing FT#	Staffing FTE#	Staffing FTE \$
15	15	\$2,433,200

c) Impact of Growth – Costs

Operating (<i>Growth area x unit of measure cost of service</i>)	\$2,510,292 / 4 = \$627,573
Capital Cost of Incremental Assets	\$0
Total Growth Request	\$627,573 per year from 2020-2023

*The Operating allocation (Growth area x unit of measure cost of service) actually equates to \$2,745,530 (cost per vehicle x 1 additional vehicle) but the actual cost of adding this vehicle is lower as it will be staffed by 3 firefighters per platoon where many of the vehicles are staffed by 4. The Assessment Growth request is being allocated over 4 years in order to minimize the annual impact of this request on the City’s annual Assessment Growth funding.

d) Impact on Assets Used to Provide Service

Initial investment in outfitting and equipment costs combined with annual increases in maintenance, equipment, technology, and training costs.

2020 Assessment Growth Business Case #10

Service Grouping	Fire Services
Service	Fire & Rescue Services
Background/Description of Change	<p>Add staffing and other operating costs for new Station 15 to serve southeast London. Residential growth within the Old Victoria subdivision and Summerside (both within Jackson Planning District east of Highbury Ave) is expected to reach 5,000 units in the next 10 years. Residential growth within Argyle, Glen Cairn, Hamilton Road and Jackson (all areas impacted by the current stations and new station) we estimate will increase by more than 1,769 units by 2024.</p> <p>Currently, Station 5 in Glen Cairn and Station 10 in Argyle cover not only the residential area in Jackson Planning District but are also responsible for coverage within the growing industrial areas to the east and south. In order to provide appropriate residential coverage at all times (within Argyle, Glen Cairn and Hamilton Road) a new Station 15 is needed to provide coverage for the growing population in Jackson, the growing industrial areas and Highway 401.</p> <p>With the increasing residential population in each of the response areas currently covered (Stations 5, 10, 2), the call volume for these stations is increasing. The location for Station 15 will be the southeast corner of Hamilton Rd and Commissioners Rd E. This location allows for a 4 minute response time in this new response area with limited overlap into Station 5 and 10 response areas. This time is in accordance with NFPA 1710, where 4.1.2.1 (3) states, “240 seconds or less travel time for the arrival of the first engine company at a fire suppression incident” and (7) “240 seconds or less travel time for the arrival of a unit with first responder with automatic external defibrillator (AED) or higher-level capability at an emergency medical incident”. As an additional resource to call on for significant events, Station 15 would be strategically placed to be called in for assisting Station 5, 10, 2, and 9. With the implementation of Station 15, the surrounding stations would be able to remain in service in their home response areas while Station 15 is responding to events in this new area. With the increasing call volume per population increase, this addition becomes essential to properly meet the expectations of the residents and businesses in the noted area.</p>

1. Background

a) Area Currently Served by Unit of Measure

There are currently 14 Fire Stations located throughout the City.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$54,910,592	347	351.5

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$3,922,185 / Station	25.11 FTE / Station

d) If this is a Contracted Service, what is the Percentage Contracted Out? n/a

e) Assets Currently Used to Provide Service

There are currently 14 Fire Stations located throughout the City.

2. Request

a) Growth Area by Unit of Measure

1 additional Fire Station = \$3,922,185

b) Impact of Growth – Staffing – Staff will not be hired until the station is operational in 2023.

Staffing FT#	Staffing FTE#	Staffing FTE \$
20	20	\$3,168,155

c) Impact of Growth – Costs

Operating (<i>Growth area x unit of measure cost of service</i>)	\$3,332,174 / 4 = \$833,044
Capital Cost of Incremental Assets	\$0
Total Growth Request	\$833,044 per year from 2020-2023

*The Operating allocation (Growth area x unit of measure cost of service) actually equates to \$3,922,185 (cost per station x 1 new Station) but the actual cost of adding this station is lower as the number of firefighters being added is less than the current average number per station. The Assessment Growth request is being allocated over 4 years in order to minimize the annual impact of this request on the City’s annual Assessment Growth funding.

d) Impact on Assets Used to Provide Service

Initial investment in outfitting and equipment costs combined with annual increases in maintenance, equipment, technology, and training costs.

2020 Assessment Growth Business Case #11

Service Grouping	Corporate Security and Emergency Management
Service	Corporate Security
Background/Description of Change	Request for two (2) full-time positions and additional hours of guard coverage to manage increased workload related to incidents, guard requests and coordination of all related security services.

1. Background

a) Area Currently Served by Unit of Measure

Workload and time demands have seen a steady increase in the years since 2013.

The population in the City of London continues to grow on an annual basis from 394,300 in 2016 to 2019 by 409,000. In addition, workload and time demands have seen a steady increase in the years since 2013 as noted in the following table:

Security Request	2013	2018	% Increase
Security Occurrence Reports	3,546	3,911	10.2%
Corporate Security Requests	2,134	3,965	85.8%
Phone/Radio Calls/Alarms into the Security Operations Centre Began.	Measures not tracked until November 2018	6,143 Average	

The above increases have all had a direct impact on the workload in all areas of security services including investigations. The Manager of Investigations is responsible for investigating a significant percentage of incidents that occur, overseeing Security Guard call responses, documentation, staffing in relation to incidents and events, creating Emergency Response Guides and providing security specific (Code White, etc.) training for new buildings and staff.

With increasing pressures related to workplace safety, more personal safety plans, an increase in the need for a security presence at meetings and increased needs related to security education sessions for staff, the time demands on Corporate Security has also increased.

Annually, there are a significant number of after-hours and weekend City of London run or sponsored events that require the attendance and/or oversight of the Manager of Corporate Security – Incident Response and Investigation and Guard Services. These frequently require the need for added hours worked outside of the regular business day.

With the increase in the number of City of London owned/leased buildings and properties, there has been an increased need for time dedicated to each site/property. With each new site and/or property coming online, the potential for additional security service calls and requests related to them occurs.

The upcoming Rapid Transit (RT) initiative will add significant pressures to Corporate Security in the forms of requests for services, staffing, video and incident response and investigations.

Other corporate initiatives have resulted in an increase in security guard requirements. This increase requires additional oversight that cannot be accommodated with current resources.

The City of London Security Guard service is provided by contracted vendors with no on-site management. This, combined with the above mentioned factors, justify the need for a Guard Services Coordinator.

The risks associated with maintaining current service levels include: a lack of timely response to emergency incidents, a lack of timely response to incident investigations (including Rzone, staff incident reports, etc.), an inability to provide timely and adequate response and education to City of London staff, and an inability to maintain up-to-date and accurate Emergency Response Guides for all City of London sites.

b) Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$ 911,884*	8	8

*excludes guard services contract costs.

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$113,986	1

d) If this is a Contracted Service, what is the Percentage Contracted Out?

Guard services are contracted out and the contract accounts for approximately 44% of the total security budget. Management of guard services is approximately 2 hours per day.

e) Assets Currently Used to Provide Service

N/A

2. Request

a) Growth Area by Unit of Measure

This request is to increase the current guard services contract to provide an additional 12 hours of coverage per day in the Security Operations Centre to answer calls for service and dispatch appropriate resources. There is currently dedicated coverage for 12 hours per day. The cost for this is \$130,000 annually. In addition, two Security Coordinator positions are required to cover the increased workload identified in the growth items listed in this case submission.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
2	2	\$190,000

c) Impact of Growth – Costs

Operating	\$320,000
Capital Cost of Incremental Assets	N/A
Total Growth Request	\$320,000

d) Impact on Assets Used to Provide Service

N/A

2020 Assessment Growth Business Case #12

Service Grouping	Police Services
Service	Police Services
Background/Description of Change	Increase complement to address growth related impacts.

1. Background

a) Area Currently Served by Unit of Measure

Population = 409,000 (2019)

b) Current Cost and Labour for Service or Program Provided (2020 Total Expenditures less Expense Recovery)

Total (Annual) Operating Cost	FT#	FTE#
\$123,787,204	852	852

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$\$123,787,204 / 409,000 = \302.66	$852 / 409,000 = .002 \text{ FTE/person}$

d) If this is a Contracted Service, what is the Percentage Contracted Out?

n/a

e) Assets Currently Used to Provide Service

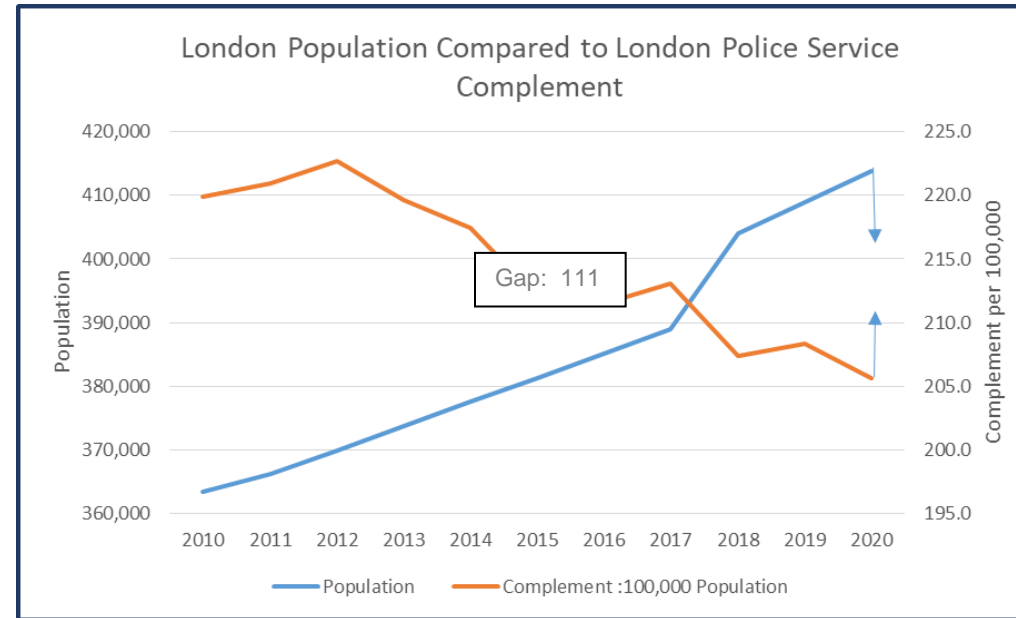
Vehicles, training, materials and supplies (e.g. fuel, ammunition, outfitting costs and equipment)

2. Request

a) Growth Area by Unit of Measure

Population growth, density and intensification impact demands for policing. Typically, where there is a greater density, greater police resources are required. This includes both proactive and reactive police activities combined with impacts to those in support roles within the organization (e.g. Information Communications and Technology, Supervision, Court Services). Recent developments, for example, the Old East Village and downtown revitalization, impact population density and will require more resources to maintain public safety and respond to calls. Strategic initiatives introduced by the City to attract and retain population downtown will increase these effects.

Increased population translates to increased demands for policing within the community. London's population in 2018 was 404,100 and is projected for 2019 to be approximately 409,000 and 413,900 for 2020, an increase of 1.2% each year. While the population has been steadily increasing, the measurement of Police Officers and Civilian staff per 100,000 Population has declined since 2012. The result is in an ever widening gap; for example, to maintain a Staff: Population Ratio of 219.9 to 1 (from 2010) in 2020, a total of 111 Staff (FTE) would be required.



Source: Population (City of London); Approved Complement (London Police Service)

A culture of effectiveness and inherent drive for efficiencies within the London Police Service (LPS) assists in managing operational requirements and workload demands despite the gap. In an audit completed during 2015, pwc states that:

“LPS has a similar number of sworn officers per 100,000 people compared to the average police service. While sworn officers per capita is relatively consistent with other services, LPS has a lower actual operating cost per capita. This means there are strong cost reduction measures at LPS around non-personnel expenses. It could also indicate that the same level of service is being provided, but at a better price.”

Regular investments in London Police Service human resources through Assessment Growth funding is of considerable benefit.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
10	10	\$1,405,072

In order to keep pace with the growth within the City of London and provide adequate and effective police service to a growing City, the following ten (10) positions (5 Police and 5 Civilian) are required for 2020. It is important to understand that these resources are representative of both front-line and support roles. Support roles are integral to ensure the most effective delivery of service to the citizens of London.

Constable – Patrol Operations (4)

Constables in Patrol Operations are often thought of as the face of the LPS. They are engaged in patrol, community engagement, conducting investigations, as well as preparing for and attending court.

Average call times and total time spent on calls has increased as a result of a number of factors. The overall complexity of investigations is increasing some of which is related to requirements for judicial authorizations, the availability of video evidence, and evidentiary requirements. Officers in Patrol Operations answer 72% of all calls for service received with times spent on calls increasing by 4.1% over the past six years.

A significant amount of time is required for mandatory training. This includes training related to de-escalation, regulated interactions (street-checks), Conducted Energy Weapon training, naloxone, and cannabis legislation. Over the past four years, training requirements have increased by 14,675 hours (75%) for Patrol Operations.

Increasing demands have resulted in Patrol Officers missing lunch breaks with a greater frequency, and overtime hours are increasing. There is evidence this is impacting Member wellness.

Inspector – Uniformed Division (1)

Responsibilities for this position include guidance, mentoring, direction, and supervision. Additionally, ensuring that the LPS goals and objectives are met, managing high risk situations, facilitating discipline matters, monitoring special projects (from inception to evaluation), and providing guidance and support towards strategic deployment, evidence based policing as well as problem-oriented policing initiatives. Uniformed division is comprised of a total of 424 Members, currently with 2 Inspectors and 1 Superintendent. Staff within this Division has increased more than 22% over the past 19 years. The work has also changed with significant long term planning required to support a safe, healthy, and growing community.

Historical investments to mirror growth within the community have been made for front line staff whereas this position involves a Senior Officer position within the Division in order to ensure strategic planning, foresight of operational and investigative needs, and risk management.

The addition of this position will provide an opportunity for a balanced span of control and Supervision within the Division and contribute positively to the Community.

Administrative Assistant – Uniformed Division (1)

The Uniformed Division includes a total complement of 424 of which 46 have Supervisory responsibilities. In terms of administrative support to the Division, there is currently one Administrative Assistant. Administrative tasks are being completed by Police Supervisory staff in the midst of significant workload demands. Elements of this work would be more effectively managed through appropriate Administrative support.

This new position will ensure improved service delivery to the public and stakeholders, accurate data collection and maintenance of records, audit of data, tracking of budget expenditures, improve case referrals to Victim Services of Middlesex-London, and process correspondence. The majority of these responsibilities will serve to efficiently decrease the administrative burden for Supervisors allowing them to perform their supervisory duties and mitigate risk in front-line service delivery.

Business Analyst – Corporate Services Division (1)

Sophisticated data analytics is critical to ensure that the correct number of Officers are deployed in the right places, at the right times and further that they are engaged in the right activities. The overarching goal is to provide the most effective policing response, and proactive presence to the Community.

This goal requires the addition of specialized staff to drive continuous improvement in data collection, analysis and reporting to support strategic organizational decision making, to implement solutions to maintain data quality, and to provide data-related consultation and advice to Senior Management. This position will provide analysis and intelligence to support continuous improvement and strategic management to guide transformational change and ensure optimal service delivery. Specifically, this will include the need to modernize current data platforms in order to access, integrate, and extract data in a useable form, validate current reports, and develop a method for mining data from existing data sources. At the same time, there are legislative obligations related to data accuracy and reporting. All these initiatives will assist in managing complex demands related to growth within the City.

As the population, diversity, and complexity of the City expands, there is a nexus to the data sources relevant to the police service, community safety, security, and well-being. This position will allow the LPS to ensure the optimization, accuracy, and relevance of multiple data sources. An enhanced service delivery model will benefit the citizens of London.

Communications Operator – Support Services Division (2)

The LPS is a Public Services Answering Point for the City of London and the County of Middlesex. All 911 calls within this geographic area are first answered by LPS Communications Operators. The radio system infrastructure supports police, fire, ambulance, and environmental services.

Communications Operators answer 911 calls and internally generated queries. They are responsible for the efficient transfer of information and communications received by the LPS which includes calmly managing calls for emergency service and, where applicable, transferring to the appropriate emergency service. There is regular voice and data communication with patrol units and support agencies. There have been no staffing increases in this area since 2017. Calls received in 2018 compared to 2017 have increased by 10.7%.

The CRTC has mandated that 911 service be provided to deaf, hard of hearing, and the speech impaired community. New technology will serve as a foundation for enhancements which will include multi-media communications (e.g. photos, video). This will impact the duties of Communications Operators significantly as a result of slower, more complex processes. At the same time, these enhancements will support a more informed response by emergency personnel. Existing resources are insufficient to manage this pending change in service.

The addition of two Communications Operators will allow the LPS to maintain standards related to the time it takes to answer calls while ensuring that accurate and adequate information is provided to the appropriate emergency. Current service demands are being met through significant amounts of overtime (an average of 105 hours per Communications Operator in 2018) which impacts employee wellness as it significantly impedes work life balance. This investment in human resources will support an environment that supports optimum safety for first responders and the community.

Systems Analyst – Support Services Division (1)

Systems Analysts support technology and related infrastructure. Technology utilization in policing is increasing each year and is instrumental in driving efficiencies. This role supports the development and maintenance of modern policing tools including online crime reporting, background checks, crime maps, smart phones, and the transition to NG911. Infrastructure related duties include deployment, repair, upgrades of hardware (e.g. servers, switches, firewall), security, and successful integration of software.

There have been a significant increase in support requests. Between 2017 and 2018, the increase is greater than 34%. Gartner research is a leading research and advisory company which supports organizations with business insights, advice, and tools. Gartner states that Information and Technology (IT) employees typically represent 5.2% of total staff within an organization. At the LPS, there are 17 members with IT responsibilities which equates to just less than 2% of total staff. This gap is evident in workload challenges which is severely limiting the ability to maintain the current functionality of IT services. There are insufficient resources to implement new services where IT support is required which includes many initiatives outlined in the London Police Services Board Business Plan. There is a risk of non-compliance with legislative requirements. These challenges impact the efficiency and effectiveness of the entire organization.

To a large extent, community demands and expectations drive the demands for technology within the LPS. Investing in an additional Systems Analyst position will help the organization to meet Business Plan goals, enhance the ability to respond to support requests and support pending projects as well as contribute to organizational efficiency.

c) Impact of Growth – Costs

Operating (Growth area x unit of measure cost of service)	\$1,405,072 *
Capital Cost of Incremental Assets	\$ 55,660 **
Total Growth Request*	\$1,460,732

*The allocation is less than the growth calculation indicates (growth area X unit of measure cost) equates to \$1,483,034 (4,900 increase in population X \$302.66/resident) = \$1,483,034) but is sufficient to provide the required resources.

** Vehicle \$52,809
 Portable Radios \$2,851
Total \$55,660

d) Impact on Assets Used to Provide Service

Initial investment in outfitting and equipment costs combined with annual increases in maintenance, equipment, technology, and training costs.

2020 Assessment Growth Business Case #13

Service Grouping	Social and Community Support Services
Service	Homeless Prevention
Background/Description of Change	<p>London Homeless Prevention Allowances are flexible portable housing benefits that are temporary investments in long-term housing stability for individuals and families at risk of, or experiencing homelessness. This portable housing benefit supports a Housing First/Stability approach by assisting with rapid access to permanent housing in the neighbourhood of the individuals or families choice while longer-term solutions to support the cost of rent are identified and secured.</p> <p>A need exists to increase the funding for London Homeless Prevention Allowances in order to expand the use of this tool to address the growing needs of individuals and families who require financial assistance to move from homelessness into permanent housing.</p> <p>This request to increase funding for London Homeless Prevention Allowances is being submitted as per Council Resolution at its meeting held March 5th, 2019, that ‘the Civic Administration BE DIRECTED to engage with relevant stakeholders and report back to Council on the feasibility of including assessment growth business cases related to poverty and homelessness support services as part of the 2020 Assessment Growth Funding Allocation’.</p>

1. Background

a) Area Currently Served by Unit of Measure

London Homeless Prevention Allowances are an effective tool in advancing London’s Homeless Prevention system to achieve its primary outcomes of:

1. Individuals and families experiencing homelessness obtain and retain housing; and,
2. Individuals and families at risk of homelessness remain housed.

The 2016-2019 City of London Multi-Year Budget included funds for the implementation and on-going delivery of London Homeless Prevention Allowances as follows:

Table A: 2016 – 2019 Multi-Year Funding

Strategic Investment #16 A	2016	2017	2018	2019
London Homeless Prevention and Housing Plan 2010-2024	\$200,000	\$400,000	\$500,000	\$500,000

To date, a combination of in-home intensive support and this portable housing benefit has assisted more than 180 households and more than 230 unique individuals (participants + dependents) to access the private rental market and move from homelessness into permanent housing.

This base budget currently provides funds to six (6) Housing First programs to deliver this portable housing benefit to individuals and families at risk of, or experiencing homelessness. Eligible expenses include: London Homeless Prevention Allowances; and, administration fees.

The six (6) Housing First programs include:

- London Cares Homeless Response Services;
- Street Level Women at Risk, Addiction Services of Thames Valley;
- Rotholme Women's and Family Shelter, Mission Services of London;
- Project Home, St. Leonard's Society of London;
- Housing First Program, Canadian Mental Health Association; and,
- Housing First Mobile Program for Youth, Youth Opportunities Unlimited.

Between 2016 to 2019, the start-up and use of the London Homeless Prevention Allowance program was slower than anticipated. To address this, Civic Administration engaged the Housing First programs to: a) review and adjust the program guidelines to match London's unique needs; and, b) provide London Homeless Prevention Allowance training and education for funded Housing First programs to build capacity and skill in the application and use of this portable housing benefit. As a result, the number of individuals and families at risk of, or experiencing homelessness who received a London Homeless Prevention Allowance to move from homelessness to permanent housing grew consistently and substantially month over month and year over year. All six (6) Housing First programs have, or are on target to reach their maximum monthly expenditure in 2019.

As per the London Homeless Prevention Allowance Guidelines, Second Edition, Housing First programs observe and generally do not exceed their maximum monthly expenditure to ensure sustainability into the future for individuals and families who receive a London Homeless Prevention Allowance. Once the maximum monthly expenditure is reached, this portable housing benefit is significantly limited in its ability to respond to the needs of individuals and families at risk of, or experiencing homelessness. No new London Homeless Prevention Allowances can be issued until existing participants exit the program. In turn, this puts additional pressure on London's emergency shelters which generally operate at or above capacity.

London’s Emergency Shelters Progress Report: 2011 – 2017, identified that the average emergency shelter occupancy rate in 2017 was 96%. Data collected from London’s Homeless Individuals and Families Information System (HIFIS) identified that the weighted average of London’s emergency shelter occupancy (not including Violence Against Women emergency shelters) in the month of August 2019 was 101%.

In addition, data collected through the Homelessness Partnering Strategy (HPS) and Community Homelessness Prevention Initiative (CHPI) funding reporting requirements (2017/2018) and HIFIS (2018/2019) demonstrates that the number of unique individuals accessing emergency shelter is increasing. Over the period of time between April 1st, 2017 and March 31st, 2018, a total of 2,690 unique individuals accessed emergency shelters. From April 1st, 2018 to March 31st, 2019, a total of 3,039 unique individuals accessed emergency shelters representing a 13% increase over the previous year.

Increasing the funds for London Homeless Prevention Allowances can be an effective tool that works as part of the solution for alleviating these growing pressures on London’s emergency shelters and supporting individuals and families to move from homelessness into permanent housing.

In addition to the increasing needs demonstrated through emergency shelter use, this portable housing benefit is directly impacted by London’s changing housing market. London is currently experiencing multiple economic and demographic drivers that are impacting and reducing housing affordability and housing stability in London. The Canadian Mortgage and Housing Corporation’s Primary Market Rental Statistics for London demonstrate that average market rental rates have increased while vacancy and availability rates have rapidly decreased. Increased rents have resulted in increased amounts of existing and new London Homeless Prevention Allowances.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$500,000	N/A	N/A

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
N/A	N/A

d) If this is a Contracted Service, what is the Percentage Contracted Out?

100%

e) Assets Currently Used to Provide Service

N/A

2. 2. Request

a) Growth Area by Unit of Measure

In 2019, London Homeless Prevention Allowances are projected to assist a total of **150** unique households at a forecasted cost of \$477,000 (150 x \$265 x 12 months).

Data collected through HPS and CHPI fund reporting requirements and HIFIS (2018/2019) identified that the number of unique individuals accessing emergency shelter beds in London between April 1st, 2018 to March 31st, 2019 was **3,039**.

Using the information above, the current base funds for London Homeless Prevention Allowances are only supporting approximately **5%** of the population of individuals and families in London that experience homelessness, meaning that the demand for this program far exceeds available funding.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
N/A	N/A	N/A

c) Impact of Growth – Costs

Operating (Growth area x unit of measure cost of service)	\$500,000
Capital Cost of Incremental Assets	N/A
Total Growth Request	\$500,000

d) Impact on Assets Used to Provide Service

N/A

2020 Assessment Growth Business Case #14

Service Grouping	London Transit Commission
Service	Conventional Transit/Specialized Transit
Background/Description of Change	Service Growth Hours

Conventional Transit Service

1. Background

a) Area Currently Served by Unit of Measure

The Post-2019 Rapid Transit Integration Framework was presented and approved in October 2018 by the London Transit Commission. Since then, work continued to develop London Transit’s second Five Year Service Plan Framework, covering the period of 2020-2024. The focus of the Five Year Service Plan was to address immediate concerns identified by customers and transit staff, including bus operators, and identifies opportunities to enhance service, grow ridership and prepare for the introduction of Bus Rapid Transit (BRT) corridors.

The review of existing services and consulting revealed a number of key issues and opportunities to be addressed, translating into six strategic directions which formed the basis of the plan:

- Enhance Overall Levels of Service
- Explore Alternative Service Delivery Models in New Communities
- Improve Direct Connections
- Build on the Express Route Network
- Eliminate 60 Minute Headways
- Minimize Impacts on Existing Passengers

The service hour additions set out in the framework are similar to those in the previous Five Year Plan, calling for approximately 18,000 hours per year and 22 expansion buses over the 2020-2024 time frame.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$29.97M	573	586.8

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	2018 (Actual)	2019 (Projection)	2020 (Budget)
Total Cost per Revenue Service Hour	\$ 110.98	\$112.16	\$114.84

2. Request

a) \$856,400 in 2020 or \$1,458,600 on an annualized basis in City investment, requested to be funded by assessment growth as follows:

	Operating Cost	Total Revenue	City	Service Hours	Rides	FTE
2020 Only	\$989,900	\$133,500	\$856,400	6,000	99,600	5
Annualized	\$1,859,100	\$400,500	\$1,458,600	18,000	298,800	15

Note: The requested “2020 only” City investment for assessment growth of \$856,400 relates to the increase of 6,000 service hours in the fall of 2020 and the direct labour of 11 bus operators, 1 mechanic and 1 general service person. The addition of 2 FTE’s for admin/support are also included. Correspondingly, the annualized amount of \$1,458,600 directly supports the annual increase of 18,000 service hours.

b) There are no Capital requirements requested at this time

Specialized Transit Service

1. Background

a) Area Currently Served by Unit of Measure

Specialized transit services have been experiencing an imbalance in registrant growth over service hour growth (i.e. supply vs demand). Since 2015, registrants have increased 39.7% while service hours have only grown at 25%. Even with this discrepancy, progress on reducing the non-accommodated trips per registrant has continued, reducing this from a level of 2.4 trips per registrant in 2015 to 1.3 in 2018. Growth in service hours is necessary to keep pace with the increasing demand for the service. There are 6,000 growth hours being added to the specialized service for 2020 primarily intended to address demand.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$7.9M	9.0	12.0

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	2018 (Actual)	2019 (Projection)	2020 (Budget)
Total Cost per Revenue Service Hour	\$ 58.55	\$ 62.63	\$66.80

2. Request – Specialized Transit

a) \$238,900 in 2020 or \$ 433,800 on an annualized basis in City investment requested to be funded by assessment growth as follows:

	Operating Cost	Total Revenue	City	Service Hours	Rides	FTE	Fleet
2020 Only	\$253,100	\$14,200	\$238,900	3,000	7,400	0.25	N/A
Annualized	\$462,200	\$28,400	\$433,800	6,000	14,800	0.5	

Note: The requested 2020 only City investment for assessment growth of \$238,900 relates to the increase of 3,000 service hours in 2020 as well as 0.5 FTE admin increase. Correspondingly, the annualized amount of \$433,800 directly supports the annual increase of 6,000 service hours.

b) Capital requirements are nil due to the outsourcing of the service.

Summary Total Request – Accessible Public Transit Services

	2020	Annual
Conventional		
Operating	\$856,400	\$1,458,600
Specialized		
Operating	\$238,900	\$433,800
Total	\$1,095,300	\$1,892,400

2020 Assessment Growth Business Case #15

Service Grouping	Roadways
Service	Roadway Maintenance/Winter Maintenance/Roadway Planning & Design
Background/Description of Change	<p>Roadway Maintenance: Growth in the amount to maintain road and sidewalk assets due to newly assumed subdivisions, warranted sidewalk program, walkways, ditches, boulevards, downtown maintenance and roadside maintenance.</p> <p>Winter Maintenance: Growth in the amount to maintain road and sidewalk assets due to newly assumed subdivisions, warranted sidewalk program and road widening. Additional funding is required to provide winter control service to these areas.</p> <p>Roadway Planning & Design: This request is for additional staffing costs to manage the 32 lane km of new roadway that will be added to the network as a result of growth.</p>

1. Background

a) Area Currently Served by Unit of Measure:

3,693 lane kms of roadway; 1,541 km of sidewalk and 81.54 lane kms of bike lanes.

b) Current Cost and Labour for Service or Program Provided:

Total (Annual) Operating Cost		FT#	FTE#
Roadway Maintenance	\$11.1M	90	117.2
Winter Maintenance	\$14.6M	55	65.4
Roadway Planning & Design	\$2.4M	36	36.8

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$9,245 per road lane km \$306 per sidewalk lane km \$2,200 per bike lane km ⁽¹⁾	Ratio of km per FTE
\$3,974 per lane km - WINTER \$1,377 per km of sidewalk - WINTER \$7,110 per bike lane km ⁽¹⁾ - WINTER	Not Applicable
\$2.4M/3,693 lane km=\$650/lane km	Ratio of km per FTE

⁽¹⁾ Average cost per lane km based on cycling facility type.

d) If this is a Contracted Service, what is the Percentage Contracted Out?

Roadway Maintenance: Not Applicable
 Winter Maintenance: Based on the pieces of equipment, 50% is contracted out.
 Roadway Planning & Design: Construction of Capital Projects: 90%

e) Assets Currently Used to Provide Service

Roadway Maintenance: Numerous vehicles managed through the City's internal fleet.
 Winter Maintenance: 70 Road Plows, 28 Spreaders, 41 Sidewalk Plows plus additional service vehicles both contracted and City owned.

2. Request

a) Growth Area by Unit of Measure

Roadway Maintenance: 32 lane kms of road (32 x \$9,245); 25.7 km of sidewalk (25.7 x \$306); 5 km of bike lanes (5 x \$2,200) = \$314,704

Winter Maintenance: 32 lane kms of road (32 x \$3,974); 25.7 km of sidewalk (25.7 x \$1,377); 5 km of bike lanes (5 x \$7,110) = \$198,107

Roadway Planning & Design: 1 FTE (1,700 hours) x \$108,000 = \$108,000 (Operating)*

* For Roadway Planning and Design to maintain an appropriate level of staff resources to manage the infrastructure associated with growth, an additional FTE is being requested as follows:

2018 - Average Capital Program Expenditure	2020-2024 - Average Capital Program Expenditure	% Increase	2018 - Annual Program Delivery Hours	2020-2024 - Annual Program Delivery Hours	Current Base - Growth Delivery Hours	Required # of Hours
\$52.6M	\$56.7M	8%	15,055	16,228	13,855**	2,373

The calculation above indicates a need for 1.3 additional FTEs to assist with the increased capital program that Roadway Planning & Design administers. It is anticipated with efficiencies in project delivery and management, the additional resource requirements requested at this time is 1 FTE at 1,700 hours.

** Current Base (Growth Delivery Hours) - 3 Engineer, 4 Tech, 0.3 Transportation Planning Engineer, 0.3 Engineer-In-Training, 0.3 Engineer Intern, 0.25 Div. Manager x 1,700 hours = 13,855 hours.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
Roadway Maintenance: 2	2	\$143,000
Roadway Planning & Design: 1	1	\$108,000

c) Impact of Growth – Costs

Cost	Roadway Maintenance¹	Winter Maintenance	Roadway Planning & Design	Total
Operating	\$314,704	\$198,107	\$108,000	\$620,811

1) The Roadway Maintenance amount of \$314,704 includes \$143,000 in staffing costs.

d) Impact on Assets Used to Provide Service

Roadway Maintenance: Partial use of the City's equipment. Existing lane km of 3,693 and 1,541.1 km of sidewalk. The funding is required to support additional 32 km of road and 25.7 of sidewalk and 5 km of bike lanes.

Winter Maintenance: Partial use of the City's winter equipment. The funding is required to support additional contract resources and materials.

2020 Assessment Growth Business Case #16

Service Grouping	Roadways
Service	Traffic Control & Street Lights
Background/Description of Change	Additional traffic signals are added to the City's network as traffic volumes grow associated with new residential, commercial and institutional development. This increases the maintenance, data communication and energy costs of providing this service. Additional funding is required.

1. Background

a) Area Currently Served by Unit of Measure

404 Traffic Signals

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$2.9M	4	4.5

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$7,292/traffic signal	89 Signals per FTE

d) If this is a Contracted Service, what is the Percentage Contracted Out?

The maintenance (81%) and energy (5%) components of this service are contracted out.

e) Assets Currently Used to Provide Service

Purchased Services (maintenance contract) and Materials & Supplies (energy).

2. Request

a) Growth Area by Unit of Measure:

- 7 traffic signals (7 x \$7,292)

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
0	0	\$0

c) Impact of Growth – Costs

Operating	\$51,044
Capital Cost of Incremental Assets	\$0
Total Growth Request	\$51,044

d) Impact on Assets Used to Provide Service

Increased maintenance contract, data communication and energy costs.

2020 Assessment Growth Business Case #17

Service Grouping	Roadways
Service	Traffic Control & Street Lights
Background/Description of Change	Additional street lights are added to the City's network as new subdivision streets are assumed. This increases the maintenance and energy costs of providing this service.

1. Background

a) Area Currently Served by Unit of Measure

36,842 street lights

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$8.2M	2	2.3

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$222.57/street light	16,018 lights per FTE

d) If this is a Contracted Service, what is the Percentage Contracted Out?

The maintenance (47%) and energy (52%) components of this service are contracted out.

e) Assets Currently Used to Provide Service

Purchased Services (maintenance contract) and Materials & Supplies (energy).

2. Request

a) Growth Area by Unit of Measure

644 street lights (644 x \$222.57) = \$143,335

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
0	0	\$0

c) Impact of Growth – Costs

Operating	\$143,355
Capital Cost of Incremental Assets	\$0
Total Growth Request	\$143,355

d) Impact on Assets Used to Provide Service

Increased maintenance contract and energy costs.

2020 Assessment Growth Business Case #18

Service Grouping	Roadways
Service	Traffic Control & Street Lights
Background/Description of Change	<p>The Transportation Intelligent Mobility Management System (TIMMS) is a multi-year project to modernize and upgrade our traffic signal system. The TIMMS project will include a Transportation Management Centre (TMC) to oversee operations on our transportation network during peak periods. This upgrade would include new central traffic signal management software, additional vehicle sensors to assist in real-time incident management, pilot “adaptive” traffic signals to modify timings in real-time and a communication system upgrade to support modern sensors and devices.</p> <p>The TIMMS project is required to address traffic growth in London by providing a more responsive system to changing travel needs. With additional travel demands on our roadways due to growth in our City, it is not always possible to physically expand our roads due to space limitations and cost. New technologies, such as those proposed in the TIMMS project, would help our existing infrastructure to operate more efficiently and effectively.</p> <p>The 2020 Business Case includes funds for maintenance of the TIMMS and software licencing fees.</p>

1. Background

a) Area Currently Served by Unit of Measure

2020 is the second year of the multi-year TIMMS implementation plan. Additional funds are required to maintain new equipment and systems.

Each year the traffic signal timings are modified along one-third of the major corridors to improve traffic flow, but the tools available are limited. New technology is required to deal with traffic growth. As the City of London continues to grow, we have to ensure that the traffic signal system is able to handle the City’s needs. One way to measure traffic flow is using the Travel Time Index (TTI) which compares the travel time during peak times to free flow movement. Currently our TTI is 1.4 (e.g. it takes 40% longer to travel during the afternoon peak times compared to free flow). The TTI will continue to grow as the City grows unless other measures are put in place. A strategic priority for the next five years is to reduce the TTI by 5%. In order to achieve this goal, additional equipment, tools and staff are required as outlined in the

TIMMS project. Without this equipment and resources the TTI will continue to grow, putting additional strain on the road network and putting pressure on the need to widen roads, a costly alternative to TIMMS. TIMMS is a system that will upgrade our current traffic signal system. It also supports the 2020-2023 Strategic Plan by focusing on the following strategic areas:

Building a Sustainable City

- Increase access to transportation options; BSC-28 - Develop a strategic plan for a future with connected and autonomous vehicles; and
- Manage congestion and travel times; BSC-34 - Continue to improve the traffic signal system for the benefit of all road users.

Previous Reports pertaining to TIMMS include the following:

Civic Works Committee, October 24, 2017, [Intelligent Transportation System Appointment of Consulting Engineer](#)

Civic Works Committee, April 17, 2018, [Transportation Intelligent Mobility Management System, Waze Connected Citizens Program Agreement](#)

b) Current Cost and Labour for Service or Program Provided (BU 541101 –Transportation Management Centre)

Total (Annual) Operating Cost	FT#	FTE#
\$1,202,400	3	3

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$400,800	1

d) If this is a Contracted Service, what is the Percentage Contracted Out?

30%

e) Assets Currently Used to Provide Service

Transportation Management Centre, Advance Transportation Management System, Traffic Signal Control System, Traffic Monitoring Equipment

2. Request

a) Growth Area by Unit of Measure

N/A

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
0	0	\$0

c) Impact of Growth – Costs

Operating	\$1,500: Admin. Expenses \$650,000: Purchased Services \$10,000: Equipment
Capital Cost of Incremental Assets	\$0
Total Growth Request	\$661,500

d) Impact on Assets Used to Provide Service

Transportation Management Centre, Advance Transportation Management System, Traffic Signal Control System, Traffic Signal Control Equipment, Traffic Monitoring Equipment, Transit Signal Priority Equipment

2020 Assessment Growth Business Case #19

Service Grouping	Corporate Services
Service	Facilities
Background/Description of Change	Hiring of Additional Full-Time (FT) Position

1. Background

a) Area Currently Served by Unit of Measure

Currently Facilities Maintenance & Operations Central Zone employs 6 FTE's of various technical disciplines. There has been an increase in demand for planned and unplanned maintenance, as well as daily operational requirements over the years. Some tasks include but are not limited to:

- a. Legislated maintenance required on specific equipment such as: fuel burning appliances (HVAC, DHW tanks, generators), elevators, electrical equipment, backflow preventers, fire & life safety equipment;
- b. Significant increase to planned maintenance (PM) developed during new service delivery model implementation;
- c. New services and additional services provided to leased sites;
- d. Higher level of service & accountability based on new Service Level Agreements (SLA) with our service partners.

The City has expanded with many new facilities over the past few years such as:

- Social Services North, East, West & Central (Decentralization of Social Services);
- Centennial House Units 1, 2, 11, & 12;
- Fire Halls 11, 12, 13, 14;
- Citi Plaza;
- Eldon House;
- 201 Queens;
- Cat Adoption Centre;
- BRT Office;
- Regional Water Supply;
- Capital Theatre (Planning) 204\206 Dundas St.

	2015	2016	2017	2018	2019	Increase
Overall Square Footage	769,759	806,652	867,744	938,726	938,726	18%
Number of Buildings	36	40	45	49	49	26.5%
Number of Staff	6	6	6	6	6	0%

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$1,150,333	6	6

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$1.23 per square foot <i>(\$1,150,333 cost/938,726 square footage)</i>	156,454 square footage per FTE <i>(938,726 square footage/6 FTE)</i>

d) Not contracted out

e) Assets Currently Used to Provide Service
Service Van, Laptop, tools, Cell Phone

2. Request

a) Growth Area by Unit of Measure - Based on the increase in square footage and number of buildings maintained over the past 5 years, an additional FTE is required to keep pace with the growth that has occurred.

Additionally, active planning of new building facilities - for 2020 to 2023 is ongoing which will also require support:

- Fire Services – FH #15, 16, and Training Tower;
- City Hall - Campus Redevelopment;
- Additional Leased Sites.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
1	1	\$91,810 (Salary \$71,442+ fringe \$20,368)

c) Impact of Growth – Costs

Operating	Salary	\$ 91,810
	Laptop Computer	\$ 3,000
	Cell Phone & data plan	\$ 1,200
	Tools	\$ 2,500
	Arc Flash Clothing (Uniform)	\$ 1,500
	Annual Licensing fees/ Training	\$ 2,000
	Annual Internal Fleet	\$ 7,000
Capital Cost of Incremental Assets	Service Van	\$35,000
Total Growth Request		\$144,010

d) Impact on Assets Used to Provide Service

This position requires a Service Van, Laptop/software, cell phone.

2020 Assessment Growth Business Case #20

Service Grouping	Corporate Services
Service	Facilities
Background/Description of Change	Modification requirements to Operation Centre facilities due to growth in operations staff and equipment.

1. Background

The previous Operations Master Plan was successfully completed in 2013. In 2018, Facilities staff worked with all related Service Areas who utilize one or more of the various Operations locations and developed an **Operations Master Plan 2020** (OPS2020) document. The non-growth related projects of OPS2020 are part of 2020-2023 Multi-Year Budget Additional Investment Business Case #14 approved through the budget process. This assessment growth case is related and complementary to the overall Plan but is specific to growth related needs at existing facility locations. As part of the interview process required for the development of the OPS2020, Service Areas with outside operations staff reported that the number of staff – particularly in the summer – has been increasing to the point where the ability to properly accommodate them in the existing operations yard facilities is becoming a challenge. This growth in staffing over the past 10 year period is mainly as a result of new assets added in the City, particularly in Parks & Recreation and Transportation Services. To illustrate the growth in assets being maintained, the following table illustrates some examples of the growth in the City’s asset base between the 2013 State of Infrastructure Report and the 2019 Corporate Asset Management (CAM) Plan:

Asset Category	2013 State of Infrastructure Report	2019 CAM Plan
Roads & Sidewalks	5,188 km	5,224 km
Parkland & Natural Areas	2,436 ha	2,650 ha
Pathways & Trails	206 km	235 km
Watermains, Sanitary & Storm Sewers	4,304 km	4,414 km

Due to the growth in the City’s asset base, the number of City operations staff required to maintain these assets has grown as well.

The City’s operations centres are the facilities from which a series of core City services (both public facing and as support services to public facing services) are delivered City-wide, including:

- Roads and Transportation (snow plowing, sand and salt storage, pot hole repair, road line painting, traffic signs)
- Fleet (sourcing, inspections, maintenance, fuel – including fuel for City emergency vehicles)
- Sewer Operations (catch basin cleaning, repair)
- Water Operations (meter shop, water main maintenance)

- Parks and Recreation (grass cutting, landscape and sports field maintenance)
- Corporate Training
- Corporate Health and Safety
- Facilities (Operations, Design & Construction and Planning, Assets and Energy)
- Purchasing and Supply Operations (stores)

The Service Areas represented at the operations centres are:

- Environmental and Engineering Services
- Finance and Corporate Services
- Human Resources
- Parks and Recreation

This growth request will address immediate space needs for staff, address health & safety requirements and enable a more seamless delivery of public services. Along with the need to appropriately accommodate the growth of staff with washrooms, lockers and showers, there is also an increase in volume of equipment and tools requiring storage space.

2. Request

a) Staff Accommodation

As result of ongoing growth of city services (primarily Parks & Recreation and Transportation), Exeter Road (ERO), AJ Tyler and Adelaide Operation Centres are at or over capacity for staffing especially during the summer period, and with the growth of many of the services based there (see table below), space planning is no longer an option.

	2011 Staff	2020 Staff	% Increase
<u>Transportation Operations:</u>			
Permanent Staff	104	134	29%
Temporary Staff	66	104	58%
Sub-Total Transportation Operations	170	238	40%
<u>Parks & Recreation:</u>			
Temporary Staff	81	137	69%
Total Transportation Operations and Parks & Rec Staff	251	375	49%

There is an immediate need for universal accommodations to support the increase in staffing over the past 10 years. Modifications will be implemented to give full consideration to changing demographics of the workforce and health and safety requirements.

Storage

As the City grows there is need for additional covered storage to protect the additional equipment in order to increase its reliability and maintain its value. There is an increasing need for storage of operating equipment, supplies and seasonal materials as a result of growth in staffing & services over the past 10 years.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
0	0	\$0

c) Impact of Growth – Costs

Operating	\$0
Capital – annual capital requested for washrooms, lockers, change area, showers, storage at various operations centres and expansion (addition of a second floor) at A.J. Tyler.	\$920,000

d) Impact on Assets Used to Provide Service

- Renovations to facilities to accommodate growth needs
- Secure storage

2020 Assessment Growth Business Case #21

Service Grouping	Corporate Services, Corporate Planning and Public Support
Service	Corporate, Operational and Council Services
Background/Description of Change	Corporate Services, Corporate Planning and Public Support account for approximately 7.06% of the overall property tax supported budget. These are not directly attributable to a particular service; however, they are required for the on-going delivery and support of municipal services. These costs include, but are not limited to: Purchasing, Facilities, Strategic Communications and External Relations, Emergency Management, Corporate Management, and Human Resources.

1. Background

a) Area Currently Served by Unit of Measure

Corporate Services, Corporate Planning and Public Support currently supports approximately \$884 million in municipal services of the \$960.4 million in total expenditures.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
\$67.8 million*	430	449.9

*Expenditure Budget less non-operational expenses (based on 2019 revised budget)

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$67.8 m/ \$960.4 m= 7.06%	N/A

d) If this is a Contracted Service, what is the Percentage Contracted Out?

e) Assets Currently Used to Provide Service

N/A

2. Request

a) Growth Area by Unit of Measure

Assessment Growth is estimated to be around 1.6% this year. Since Corporate Services, Corporate Planning and Public Support account for 7.06% of total gross expenditure budget, an allocation of 7.06% of the assessment growth would yield approximately \$690,000. The impact of a growing city is not always evident in programs that support front-line services. However, the following provide specific areas of Corporate Services, Corporate Planning and Public Support that have been impacted by growth in recent years:

- i) Procurement Services – Is seeking approval of one (1) additional staff based on the increase in the capital budget to maintain existing service levels. The increase in the capital budget is mainly driven by growth in transportation projects which account for \$97 million of the \$113 million increase based on a four year average. Currently one procurement officer, on average, would advise 38 procurement processes (request for proposals, request for qualifications, and tenders) per year. However, given the growth in capital project budgets and the number of projects including their complexity, it is anticipated that the number of procurements will grow from 154 to 207 resulting in a procurement officer working on 52 projects on average per year (up from 38). By increasing complement by one procurement officer, the workload will be reduced to a more manageable and sustainable level. Based on experience to date, through efficiencies, continuous improvement, and the use of e-procurement, it is anticipated that 41 procurement processes on average per year per procurement officer is manageable. Adding an additional 1.0 FTE, this would reduce it to 42 requests/FTE. (\$94,000)

	2012-2015 4 Year Average	2016 – 2019 4 Year Average	2020 – 2023 4 Year Average	
Capital Budget	\$235 million	\$328 million	\$441 million	
Amount of Request For Proposals, Request For Qualifications, & Tenders	135	154	207 (estimated)	
Amount of Request For Proposals, Request For Qualifications & Tenders per Procurement Officer	45	38	Maintain Complement	Increase in Complement
			52	41

ii) Strategic Communications – Over the past number of years the City has made efforts to increase community engagement. One such initiative was introduced in 2017 to support a pilot project known as GetInvolved.London.ca, which is an on-line engagement tool to welcome participation, input and feedback from Londoners. The site has hosted more than 50 projects seeking public input. It has received more than 140,000 visits reviewing various projects and more than 31,200 responses (input) have been submitted by residents and interested people to help inform decision making. With every project that is seeking public input, staff have ensured that there is an on-line component. Strategic Communications is seeking \$100,000 to maintain funding for this on-line portal / engagement tool. The following table provides the amount of website traffic since 2016 which indicates more on-line services and engagement.

	2016	2017	2018	2019
Number of hits to www.london.ca	3,298,088	3,088,032	3,466,612	3,548,118
% increase of data to manage since 2016				7.6%

iii) Information Technology Services - \$130,000 is being requested for operating costs associated with capital project GGSTOR – Data Storage Modernization. This project is required in part due to the increased data requirements from various growth in services. It will support additional storage array network, back up storage, server infrastructure, networking infrastructure, and specialized software. It will also provide added redundancy to our current storage and back-up infrastructure. Since 2016 the data requirements that has had to be managed has increased 63.4%

	2016	2017	2018	2019
Data Requirements	70.7 TB	93.95 TB	106.55 TB	111.5 TB
% increase of data to manage since 2016				57.7%

- iv) Corporate Security & Emergency Management – one of the legislative requirements the City is responsible for is to educate the public on the risks they face within our community and the recommended actions the public should take during emergency situations. The public play a critical role in the successful management of an emergency situation and through education it enhances our ability to keep our community safe. This request is for a total of \$125,550 (including one-time \$25,000 capital request). It is primarily for a 1.0 FTE and operational resources to respond to growth in new housing and apartment units over the past number of years. The table below highlights the increase in population and new housing and apartment units from 2016 to 2019. As the City grows inwardly (an number of new high-rises), emergency evacuations and other situations become more complexing requiring additional resources to provide public awarenenss services.

Item	2016	2017	2018	2019	Total increase
Population	394,300	399,200	404,100	409,000	14,700
New Housing and Apartment Units	3,083	2,456	2,470	TBD	8,009

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
2	2	\$168,500

Impact of Growth – Costs

Operating (<i>Growth area x unit of measure cost of service</i>)	\$424,550
Capital Cost of Incremental Assets	\$ 25,000
Total Growth Request	\$449,550

c) Impact on Assets Used to Provide Service

Standard fit up of computers, phones, furniture would be required.

2020 Assessment Growth Business Case #22

Service Grouping	Corporate Services
Service	Realty Services
Background/Description of Change	<p>Increase in property acquisition over the next four years for transit and transportation projects including over 400 property requirements and associated increase in transactions, due diligence, demolitions, property management, negotiations and other realty services.</p> <p>Request for two full time positions.</p>

1. Background

a) Area Currently Served by Unit of Measure

The Realty Services team comprises 9 staff that execute their responsibilities in accordance with the corporate value of *Good Governance* and the guiding principle to ensure the Building a Sustainable City through the implementation of property acquisition strategy for the Rapid Transit system (RT) and strategic program for road improvements identified in the Transportation Master Plan.

The Realty Services team is responsible for the acquisition of property rights for road widening projects, stormwater management facilities, parks and open space, community centres, W12A buffer property and other site acquisitions for municipal purposes. In addition to over 140 parcels being acquired within the next 3 years for planned road widening projects, there are over 350 properties impacted by the RT project for the downtown loop, south and east corridor. There will be over 50 fully impacted properties purchased including business disruption, business relocation and residential and commercial tenancies displaced.

Realty Services provides advice on property matters to City services and supports the management of the City’s asset portfolio by managing property acquisition, industrial land marketing and sales, disposition of surplus lands, property management, lease administration and negotiations of all of these property rights.

Service highlights for Realty Services include:

- Provide expert advice and transactional support for the Industrial Land Development Strategy (ILDS). Realty is the lead for property acquisitions and sales of City industrial land;
- Provide acquisition support to Parks Planning for multiuse pathway development and parkland creation;

- Support various other Service Areas by providing advice of various different forms of property rights and the associated transaction support including negotiating lease space for downtown office service areas and other leases for civic space needs in the community;
- Active cemeteries management including maintenance of Woodhull, Bostwick, and Scottsville cemeteries;
- Lead the disposition of surplus land assets and support the disposition of Old Victoria Hospital Lands and Lorne Avenue development lands;
- Provide continuing support for the W12A Landfill Site – Community Enhancement and Mitigative Measures Program (CEMMP). Undertakings include contracting, interim property management, negotiating, and acquiring property;

b) Current Cost and Labour for Service or Program Provided (2019 Total Expenditure Budget)

Total (Annual) Operating Cost	FT#	FTE#
\$1,705,377 (gross)	9	9.2

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$185,367	1

d) If this is a Contracted Service, what is the Percentage Contracted Out?

This is not a contracted service.

e) Assets Currently Used to Provide Service

Office space, equipment, furniture, computers.

2. Request

a) Growth Area by Unit of Measure

Realty Services is seeking approval of two (2) additional staff.

The Realty Services area has experienced increased pressure over the past 5 years due to:

- The processing of more property transactions including extensive negotiations, due diligence and analysis of property impacts;
- Providing more interim property management for properties purchased including tenancy rental, license agreements, maintenance and repairs;

- Providing more asset reviews and processing of sale of surplus assets;
- Providing more reviews of appraisal for cash-in-lieu applications;
- Providing more appraisal, negotiation and lease administration; and
- Providing support for arbitration of outstanding expropriation compensation matters.

These services are provided with an expectation of no reduction in service levels. This Service is currently experiencing a significant amount of demand and new positions will be required to be prepared for upcoming increases in property acquisition and associated realty management activities to service the growth of the City. Property acquisition for transportation projects, RT, stormwater management, floodplain protection and parks projects is increasing by over 100% in 2021 and beyond. The number of property agreements under administration is increasing 15% in 2021 and by 20% in 2022.

Metric	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Target	2021 Target	2022 Target	2023 Target
# of property acquisitions for transportation projects	22	37	10	32	35	40	40	50
# of property rights purchased(RT)	1	2	8	7	50	120	110	100
# of agreements under administration	67	107	125	140	160	180	220	250
Total Properties Acquired and Administered	90	146	143	179	245	340	370	400

Year	Total Properties	# of FTE's	# of Properties Per FTE
2018	143	9	16
2019	179	9	20
2020	245	11 (requested)	22

If two additional staff members are approved, the unit of measure per FTE reduces to 22 which is still significantly higher than the average processed per employee since 2018 assuming that full complement can be maintained. Although efficiencies exist to accommodate an increased volume per staff, significant overtime has been required to manage the increasing volume to date which will continue to increase each year to 2023. Although the incremental number of properties per FTE is growing at a slower rate, fully impacted properties are significantly more complex and require considerably more time to complete than a partially impacted property. The additional growth in property acquisition will be continuing annually though to 2023.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
2	2	\$229,234

c) Impact of Growth – Costs

Operating	\$229,234 (Salary and Fringe) \$10,480 (Equipment)
Capital Cost of Incremental Assets	0
Total Growth Request	\$239,714

d) Impact on Assets Used to Provide Service

These positions require a workstation, computer/software and associated furniture which can be accommodated at City Hall with the relocation of other staff in another Service Area.

2020 Assessment Growth Business Case #23

Service Grouping	Corporate Financing
Service	Capital Financing
Background/Description of Change	Increase contribution to the Public Housing Major Upgrades Reserve Fund to mitigate growth in the infrastructure gap related to Public Housing

1. Background

a) Area Currently Served by Unit of Measure

The Social Housing Reform Act transferred responsibility for the ownership and management of public housing to municipalities. Before January 1, 2001, public housing units were owned by the Ontario Housing Corporation. Public housing was built in the 1950 to 1970's with the intent of meeting the housing requirements of those in greatest need. In the late 1970's, the emphasis on social housing construction shifted from public housing to income-integrated non-profit and co-operative housing projects. Since 1978 no new public housing has been built.

A Council approved strategic investment to develop a strategic plan for regeneration of LMCH properties started in 2018. At the 2017 Annual Shareholder meeting for LMCH on June 25, 2018, SPPC received a presentation outlining the framework being established for regeneration. On September 16, 2019, SPPC was informed by LMCH that a 4 year capital request of \$71m will be submitted to address critical capital requirements for LMCH properties. A business case, Business Case 12: LMCH Infrastructure Gap, was submitted and approved by Council in the 2020-2023 Multi-Year Budget to support an increased capital investment of \$15.518m which is estimated to improve the Facility Condition Index (FCI) by 1% by 2023 and maintain a FCI score within a 'Fair' condition. Without additional funds the infrastructure gap currently identified in the LMCH portfolio will continue to grow. Funding requests target an FCI between 21% and 40% which is considered fair.

As noted in the business case, LMCH is severely underfunded compared to other Local Housing Corporations (LHC) in Ontario. A 2013 study completed by the Housing Services Corporation (HSC), which surveyed eleven LHCs in Ontario, indicated that, based on the 2012 annual capital budget for the eleven (11) independent LHCs, the annual per unit budget ranged from \$583 to \$2,176. Generally, the results indicated a moderately positive correlation between the size of the LHC and the per unit capital budget, meaning that as the portfolio size increased, the per unit budget increased too. However, of all the LHCs surveyed, LMCH had the lowest annual per unit capital budget, at \$583 per unit, despite its medium portfolio size. In fact, the capital budget for LMCH was only half of the average capital budget, at \$1,113 per unit, and in several cases, it was significantly less than LHCs with smaller portfolios. For example, Haldimand Norfolk Housing Corporation, which has a small portfolio without complex high-rise buildings, annual per unit capital budget was \$1,207 in 2012. These findings clearly indicate the gravity of LMCH's capital underfunding and provide clear evidence of the need to increase LMCH's regular capital funding allocation in order to address the infrastructure gap.

The City of London utilizes the Public Housing Major Upgrades Reserve Fund to provide funding for major capital repairs and upgrades to maintain public housing units operated by the London and Middlesex Community Housing Inc. (LMCH). The City's current approved annual budget contribution to this Reserve Fund is \$3.2 million.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost*	FT#	FTE#
\$3,208,000	N/A	N/A

* 2018 budgeted contribution to the Public Housing Major Upgrades Reserve Fund.

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
N/A	N/A

d) If this is a Contracted Service, what is the Percentage Contracted Out?

N/A

e) Assets Currently Used to Provide Service

N/A

2. Request

a) Growth Area by Unit of Measure

To assist in mitigating the potential growth in the public housing infrastructure gap, a permanent increase of \$500,000 to the annual contribution to the Public Housing Major Upgrades Reserve Fund is recommended.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
N/A	N/A	N/A

c) Impact of Growth – Costs

Operating	\$500,000
Capital Cost of Incremental Assets	\$0
Total Growth Request	\$500,000

d) Impact on Assets Used to Provide Service

N/A

2020 Assessment Growth Business Case #24

Service Grouping	Corporate Financing
Service	Capital Financing – Reinvestment for new growth-related assets
Background/Description of Change	Increased contribution to the Capital Infrastructure Gap Reserve Fund to mitigate future growth in the infrastructure gap, by ensuring funding is set aside for major lifecycle repairs or eventual replacement of new infrastructure resulting from a growing city.

1. Background

a) Area Currently Served by Unit of Measure

The *2019 Corporate Asset Management Plan (2019 CAM Plan)* identified the replacement value of the City's assets at \$20.1 billion with a 10 year infrastructure gap projected at \$568.8 million. However, the City continues to grow and acquires, develops, and constructs more infrastructure. Each new asset requires on-going life cycle renewal activities. To assist with budgeting for these future lifecycle renewal costs and to mitigate growth in the infrastructure gap, the Council-approved *2019 CAM Plan* recommended to set aside a predefined annual reinvestment amount for each new asset through an annual Assessment Growth business case (2019 CAM Plan - Recommendation #7.iv) to have a funding source available in the future when replacement or major lifecycle repairs are required.

The recommended reinvestment rates are applied to the cost of property-tax supported assets that were assumed in 2018 and the construction costs of 2019 growth capital budgets. This includes Parks, Recreation, and Transportation assets.

Currently, existing infrastructure identified in the *2019 CAM Plan* for these services consists of:

- Parks – 172 km of pathways, 687 Amenities (ranging from play structures to community gardens) and 92 Park Facilities (Ranging from bandshells to site work);
- Recreation – 99 Facilities including 11 Arenas, 13 Community Centres, 11 Outdoor Community Pools, and 2 Senior Centres.
- Transportation – 3,656 lane kms of roadway, 1,568 km of sidewalks, and 36,183 Street Lights and 400 Signals.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost*	FT#	FTE#
\$6,150,000	N/A	N/A

*2019 budgeted contribution to the Capital Infrastructure Gap Reserve Fund.

c) Unit of Measure Cost of Service

Unit of Measure Cost	Unit of Measure FTE
N/A	N/A

d) If this is a Contracted Service, what is the Percentage Contracted Out?

Infrastructure work that is funded through the Capital Infrastructure Gap Reserve Fund is typically at least 80% contracted out.

e) Assets Currently Used to Provide Service

N/A

2. Request

a) Growth Area by Unit of Measure

Increase the permanent contribution to the Capital Infrastructure Gap Reserve Fund by \$2.369 million in 2020 to recognize the scope of tax supported infrastructure has increased since the *2019 CAM Plan*.

The recommended annual reinvestment rates for applicable infrastructure, as listed in the *2019 CAM Plan*, are:

Service	Recommended Annual Reinvestment Rate
Recreation	2.5%
Parks	4.1%
Transportation	2.7%

Depending on Parks Asset Type (Linear, Amenities, or Facilities), the recommended reinvestment rate ranges from 1.7% to 6.2% based on the specific asset type being constructed, with an average of 4.1%. Similarly, the recommended reinvestment rate ranges from 1.75% to 4.5%, with an average of 2.7%, for the various Transportation Assets (e.g. Roadways, Structures, and Traffic Signs).

Summary:

Category	Recommended Annual Reinvestment
Part One: 2018 Assumed Infrastructure Assets from Development	\$858,250
Part Two: 2019 Growth Budgets	\$1,511,156
Total	\$2,369,406

Part One – 2018 Assumed Infrastructure Assets from Development

Assets that were assumed in 2018 are summarized below, which are mainly comprised of transportation assets including roads of approximately 13.5 kilometers (i.e. approximately 27 lane kms). Also assumed are 423 street lights, and 17.9 km of sidewalks. The recommended reinvestment rate for these transportation assets ranges from 1.7% to 4.5%.

Asset Type	Cost	Recommended Annual Reinvestment
Roadways - Roads	\$25,752,407	\$695,315
Roadways - Sidewalks	\$1,250,813	\$33,772
Traffic - Street Lights & Traffic Signals	\$2,870,282	\$129,163
Total Transportation	\$29,873,502	\$858,250

Part Two – 2019 Growth Budgets

The 2019 Growth Capital Budget includes the construction of the assets outlined in the table below. The amount considered for reinvestment excludes land acquisition cost.

Program Area	Budget Amount	Recommended Annual Reinvestment
Parks, Recreation & Neighbourhood Services		
Recreation - Facility Assets ⁽¹⁾	\$8,369,000	\$209,225
Parks - Linear, Amenities, and Facilities Assets ⁽²⁾	\$6,095,000	\$261,855
Total Parks & Recreation	\$14,464,000	\$471,080
Transportation⁽³⁾		
Roads, Structures, & Traffic - Roadways and Traffic Assets	\$36,146,000	\$1,040,076
Total of Program Areas	\$50,610,000	\$1,511,156

⁽¹⁾ Recreation asset increases relates to the budgeted construction of South East Multi-Purpose Rec Centre.

⁽²⁾ Parks assets relate to budgeted Parks construction (District, Neighbourhood, Sport, and Urban), and budgeted Fieldhouse and Pathway construction.

⁽³⁾ Roadways growth budgets generally include existing roads being widened, improved, implementing strategic road connections, and constructing Traffic Signals and Street Lights.

b) Impact of Growth – Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
N/A	N/A	N/A

c) Impact of Growth – Costs

Operating	\$2,369,406
Capital Cost of Incremental Assets	N/A
Total Growth Request	\$2,369,406

d) Impact on Assets Used to Provide Service

N/A

2020 Assessment Growth Business Case #25

Service Grouping	Corporate Financing
Service	Finance
Background/Description of Change	<p>Increase in financial transactions and reporting/claims management brought on by growth in City Services (i.e. infrastructure works, operational services) have necessitated additional resources to maintain sustainable service levels given increased reporting requirements, as well as increased requests for guidance, advice, and proactive review from Service Areas.</p> <p>Request for 3 Full-time positions.</p>

1. Background

a) Area Currently Served by Unit of Measure

The Finance team is comprised of ninety-one (91) staff that execute their responsibilities in accordance with the corporate value of *Good Governance* and the guiding principle *to ensure the safeguarding of the Corporation's financial assets*.

The Finance area is responsible for various fiduciary and legislative reporting duties including, but not limited to:

- Annual preparation of Audited Consolidated Financial Statements;
- Corporate Financial Banking Services;
- Financial Information Return (FIR) annual preparation (Cost allocations);
- Corporate accounts receivable collections and payment processing, including various municipal loan programs;
- Gate-keepers of the financial general ledger, including reviewing and posting all corporate receipts, invoices and journal entries and maintaining of the chart of accounts;
- Process invoices, purchase receivers, vouchers, child care subsidies, appropriations, housing payments, travel expense reimbursements and petty cash;
- Process weekly Accounts Payable (A/P) cheque and electronic funds transfer (EFT) runs; ensuring prompt and accurate payments;
- Ensure supplier discounts earned are maximized;
- Monitor HST accounting and perform audits;
- Lead and participate on major systems upgrade projects and enhancements;

- Lead and contribute to business process redesigns and system configuration and testing related to major corporate systems;
- Maintain and assist with financial system integrity;
- Initiate, assist and update financial corporate policies such as Cash Handling, Petty Cash, Credit Card and Travel expense policies;
- Preparation of the multi-year budget and annual budget updates;
- Financial Business Support to all services, including budget monitoring, business plans, service reviews, and financial analysis;
- Submission of claims under various Federal/Provincial funding programs.

Key Performance Indicators for Financial Services:

How Much?	5-year historical trend					
Description of measure	2013	2014	2015	2016	2017	2018
Number of Accounts Payable Invoices Processed (MBNC - FINV317)	68,355	74,854	82,425	84,021	85,460	90,104
Description of measure	2013	2014	2015	2016	2017	2018
Number of Corporate Accounting General Journal Batches Reviewed, Posted and Audited	10,779	11,960	10,798	11,909	13,244	12,273

b) Current Cost and Labour for Service or Program Provided (Finance – 2019 Total Expenditure)

Total (Annual) Operating Cost	FT#	FTE#
\$8,648,436 (gross)	87	91.4

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
\$94,622 (gross)	1

d) If this is a Contracted Service, what is the Percentage Contracted Out?

This is not a contracted service.

e) Assets Currently Used to Provide Service

Office space, equipment, furniture, computers.

2. Request

a) Growth Area by Unit of Measure

Finance is seeking approval of three (3) additional staff.

The Finance area has experienced increased pressure over the past 5 years to:

- process more transactions and claims;
- provide more financial support to operational service areas;
- adapt to increased reporting requirements of the Public Sector Accounting Board (PSAB) and various government bodies;
- continue system development; and
- provide reviews of business processes.

These services are provided with an expectation of no reduction in service levels and no reduction in financial system integrity and financial controls. This Service is currently experiencing increases in paid and unpaid overtime that is not sustainable beyond the current year, and there has been a gradual erosion in service.

The following chart uses the key performance indicators from above to show the growth in service pressures experienced over the past 5 years:

Key Performance Indicators for Financial Services – Volume Growth over Past 5 Years:

How Much?	% Change	Processing per FTE	
<i>Description of measure</i>	<i>5-year % change</i>	<i>5 years ago</i>	<i>Currently</i>
Number of Accounts Payable Invoices Processed (MBNC - FINV317)	32%	2,357	3,107
<i>Description of measure</i>	<i>5-year % change</i>	<i>5 years ago</i>	<i>Currently</i>
Number of Corporate Accounting General Journal Batches Reviewed, Posted and Audited	14%	372	423

Financial Services is currently experiencing pressure to continue to meet the growing needs of the direct Service Areas that they support. They are processing more Accounts Payable invoices per FTE than they did 5 years ago, representing a 32% increase in volume. At the same time, the number of corporate accounting general journal batches reviewed, posted and audited has grown by 14% over the same 5-year period.

Additionally, we have experienced significant growth in claims management work as a result of major infrastructure programs being announced by both the Federal and Provincial governments (i.e. Public Transit Infrastructure Funding, Canada 150, Ontario 150, etc.). This additional workload is expected to continue well into the future with major transportation, parks and recreation facility projects funding available through Investing in Canada Infrastructure Program (ICIP).

Over the past 5 years, as more satellite locations have emerged to provide greater public access to residents, direct Service Areas have expanded to meet these needs. There is a direct correlation between these expansions and the increased support required by Financial Services to support these areas. This would include supports such as testing of new/upgraded financial systems, set-up of Point-of-Sale (POS) terminals, training in cash deposits and cash balancing reconciliations, and increased number of accounting batches and accounts payable invoices processed.

This all leads to the need for Financial Services staff to support the Service Areas through finance training, the importance of financial controls and reconciliations. The Financial Services team must review all documents received to ensure general ledger coding is accurate, including the coding of HST. Each document has to be handled individually to ensure the proper recording is in accordance with Public Sector Accounting Standards.

Each year-end, the external auditors are on-site for more than 3 months doing various testing, analysis and review to ensure that the Financial Services team has been diligent, with the goal of the external auditors issuing a “clean” audit opinion. The issuance of the annual audited consolidated financial statements and the filing of the

annual Financial Information Return (FIR) with the Ministry of the Municipal Affairs and Housing (MMAH) is a catalyst for the annual Moody’s Investor Service credit rating review. This annual assessment reviews the credit worthiness of the City and assigns the City a credit rating. The City has proudly held the Aaa credit rating since 1977, making 2019 the 43rd consecutive year of the Aaa rating and reaffirming that the City’s debt has the highest rating possible.

These pressures and challenges identified above have the potential to create overwhelming administrative pressure on the current management complement in Finance.

In order to maintain the current service levels as well as begin to implement all the required new legislative and mandatory initiatives, additional staff are required.

b) Impact of Growth – Staffing

Staffing FT#	Staffing FTE#	Staffing FTE \$
3.0	3.0	\$286,965

c) Impact of Growth – Costs

Operating	3 Full-time Positions: \$286,965 (Salary and Fringe) \$11,260 (Equipment)
Capital Cost of Incremental Assets	0
Total Growth Request	\$298,225

d) Impact on Assets Used to Provide Service

Computers, Office outfitting.