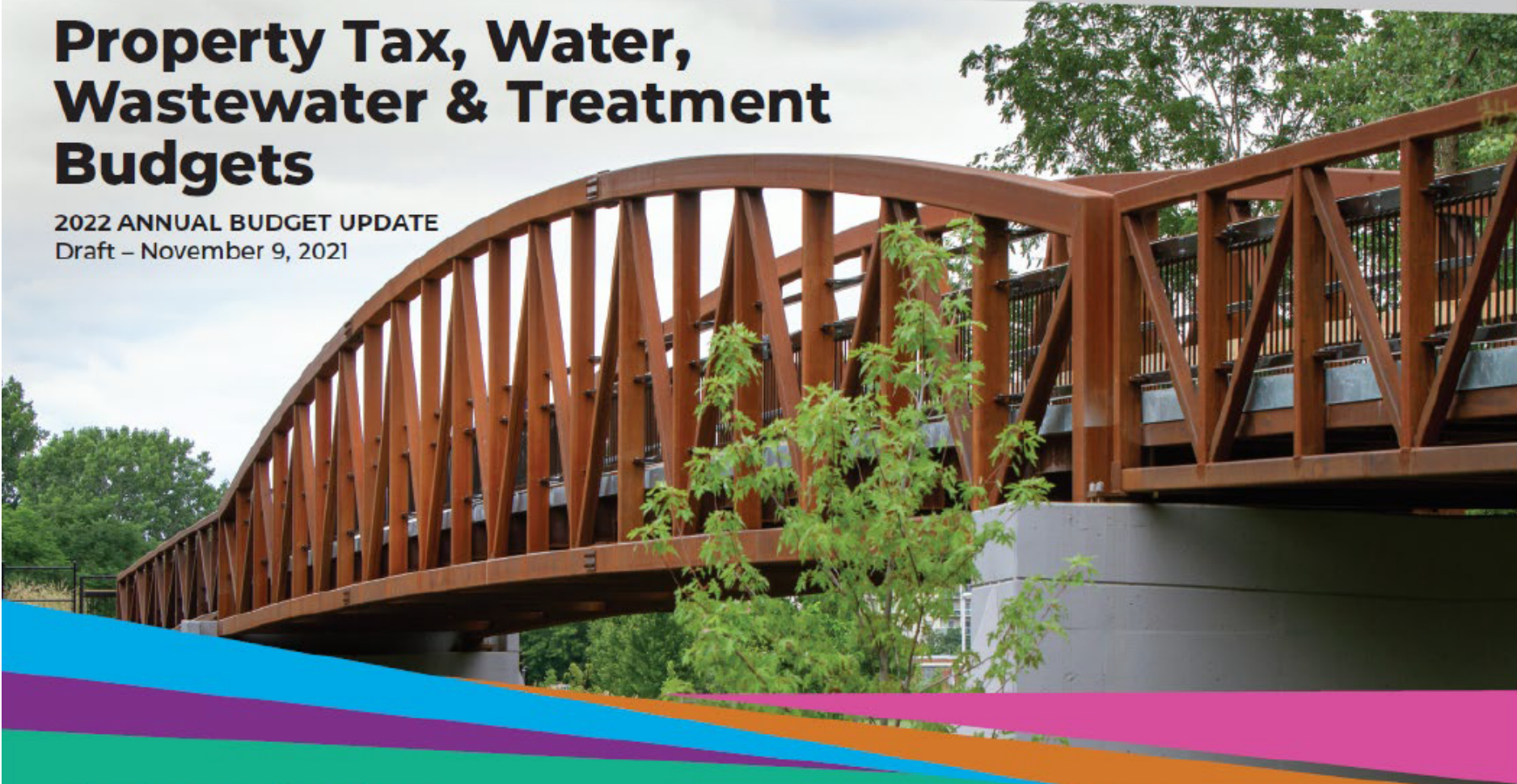




Property Tax, Water, Wastewater & Treatment Budgets

2022 ANNUAL BUDGET UPDATE
Draft – November 9, 2021



london.ca/budget

Acknowledgment

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

Steps Towards Anti-Racism and Anti-Oppression at the City of London

Municipal Council has affirmed its commitment to eliminating systemic racism and oppression in our community. As individuals who serve the public, facing this troubling reality is both daunting and uncomfortable – and, for many, deeply personal. While this work demands urgency, the actions needed to deconstruct systems of racism and oppression will require sustained commitment and courageous action to drive transformative change.

It is a sombre obligation. It is also an important opportunity. Londoners in the community and within the organization provided valuable insights on how the City of London can use its strength and position as an influential leader to drive anti-racism and anti-oppression work.

Table of Contents

Executive Summary	1
Multi-Year Budget Process Refresher	2
Annual Update Process Refresher	3
Environmental, Social and Governance Considerations	4
COVID-19 Pandemic Impacts	5
Budget in Brief – Property Tax Supported Budget	6
Budget In Brief – Water Budget	12
Budget In Brief – Wastewater and Treatment Budget	15
Public Sector Accounting Board Reconciliation	18
Budget Recommendations.....	26
Property Tax Supported Budget.....	30
2020 to 2023 Multi-Year Budget Recap	30
2022 Annual Budget Update	31
Budget Amendment Overview	33
2023 Considerations	41
Operating Summary.....	42
Capital Summary	44
Capital Plan: Infrastructure Funding Updates	49
Water Budget.....	51
2022 Annual Budget Update	51
COVID-19 Pandemic Impacts	52
Budget Amendment Overview	52
Operating Summary.....	54
Capital Summary and Ten Year Capital Plan.....	55
Water Reserve and Reserve Fund Overview	63

Wastewater and Treatment Budget	65
2022 Annual Budget Update	65
COVID-19 Pandemic Impacts	66
Budget Amendment Overview	67
Operating Summary	69
Capital Summary and Ten Year Capital Plan.....	70
Wastewater and Treatment Reserve and Reserve Fund Overview	78
2022 Annual Budget Update Amendment Cases	80
Budget Amendment # P-1 Reductions Due to Zero-Based Reviews and Other Budget Right-Sizing.....	80
Budget Amendment # P-2 Middlesex London Health Unit Additional Operational Cost Due to Inflationary Pressures.....	85
Budget Amendment # P-3 RBC Place London Funding Support.....	91
Budget Amendment # P-4 Private Parking Enforcement Program – Increased Fines to Reduce Repeat Offences of Unauthorized Parking on Private Property	96
Budget Amendment # P-5 Reduction in Required Child Care and Ontario Works Investments in 2022.....	100
Budget Amendment # P-6 Reduction to City of London Infrastructure Gap Reserve Fund Contribution, and Decreased Funding for Community Building Projects	109
Budget Amendment # P-7 Reduction to Neighbourhood Decision Making Program, Neighbourhood Small Events Fund Grant Program and Athletic Travel Grants.....	119
Budget Amendment # P-8 Reduction in the Limits of Grass Cutting in Parks and Select Roadsides, and Reduction to Tree Trimming	129
Budget Amendment # P-9 Continuation of the City’s Invasive Species Management Strategy	136
Budget Amendment # P-10 Realignment and Adjustment of Transportation Capital Growth Project Budgets	140
Budget Amendment # P-11 Development of Long Term Disposal Capacity for Residual Waste.....	146
Budget Amendment # P-12 Zero-Emission Bus Implementation Strategy	150
Budget Amendment # W-1 Schedule Changes for Water Lifecycle Renewal Projects	156
Budget Amendment # W-2 Schedule Changes for Water Growth Projects	161
Budget Amendment # WWT-1 Reduce Energy Budget at Greenway Wastewater Treatment Plant and Create Dedicated Program for Sewage Bypass and Overflow Elimination.....	169
Appendices	174

Appendix A - Operating Budget Overview 174

Appendix B - Capital Budget Overview 196

Appendix C - Reserve / Reserve Fund Overview..... 201

Appendix D - Debt Overview 209

Appendix E – 2020 to 2023 Multi-Year Budget Tax Levy Summary 210

Appendix F - 2020 to 2023 Water Schedule of Rates and Charges..... 214

Appendix G - 2020 to 2023 Wastewater and Treatment Schedule of Rates and Charges 220

Executive Summary

Property Tax Supported Budget

The 2022 Annual Budget Update includes \$1.06 billion in operating expenditures funded through \$692.3 million in property taxes and \$371.7 million in non-tax revenues for 2022. The City is planning capital investments of \$312.1 million in 2022, part of a 10-year capital plan (2020 to 2029) of \$2.9 billion. The 2022 Annual Budget Update document contains a total of 12 property tax related budget amendments. If all budget amendments are approved, the average annual property tax revenue increase over the 2020 to 2023 Multi-Year Budget period decreases from 3.8% to 3.6% with the 2022 property tax revenue increase being reduced to 2.8% from the previous 3.8%.

Water Rate Supported Budget

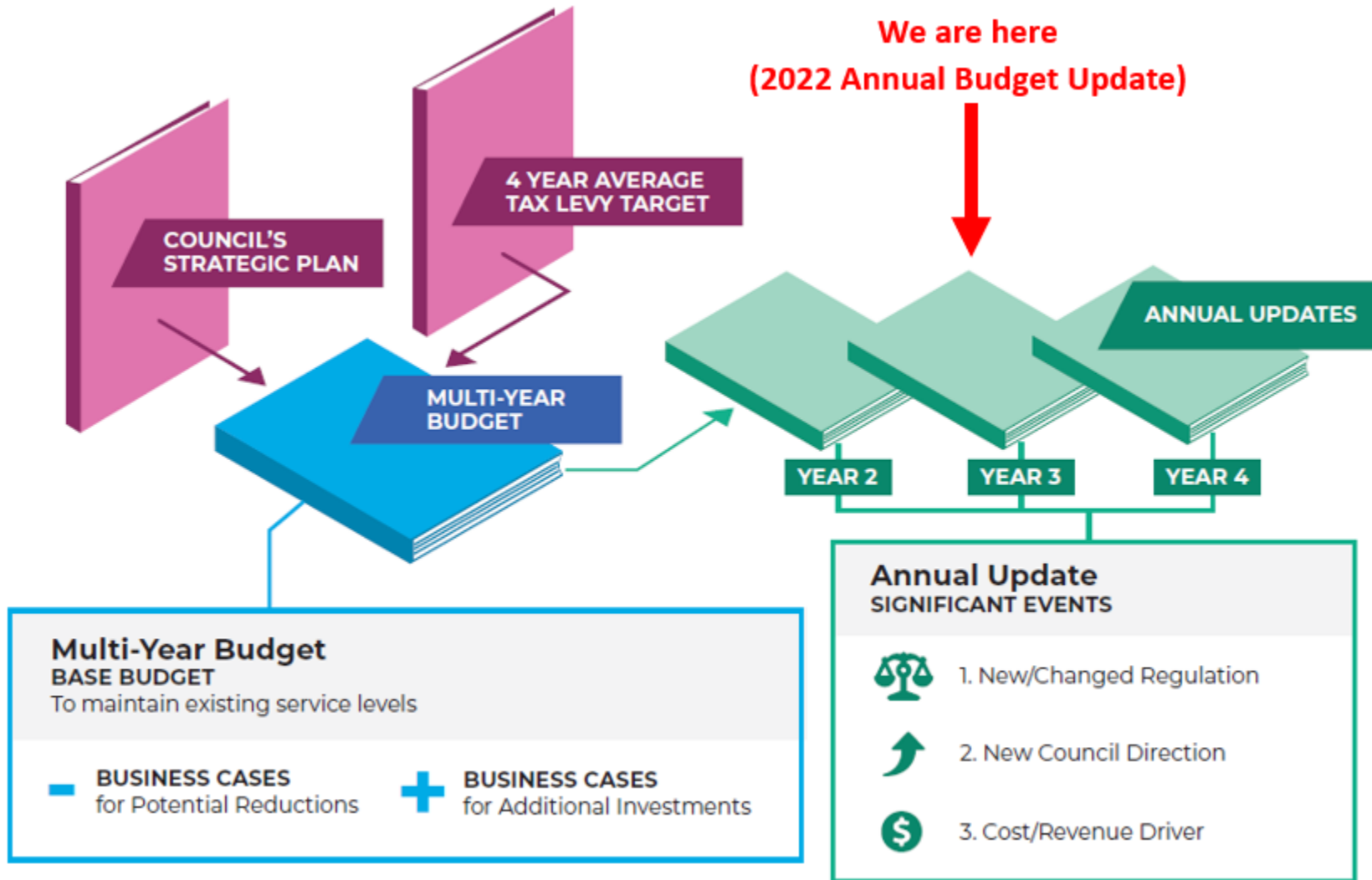
The 2022 Annual Budget Update includes \$90.5 million in operating expenditures and \$90.5 million in operating revenues with an average annual water rate increase over the 2020 to 2023 Multi-Year Budget of 2.5%. The City is planning capital investments of \$34.7 million in 2022, part of a 10-year capital plan (2020 to 2029) of \$483.1 million. There are two budget amendments proposed in the 2022 Annual Budget Update, noting that approval of these amendments will not impact the water rate increase.

Wastewater and Treatment Rate Supported Budget

The 2022 Annual Budget Update includes \$113.7 million in operating costs and \$113.7 million in operating revenues with an average annual wastewater and treatment rate increase over the 2020 to 2023 Multi-Year Budget of 3.2%. The City is planning capital investments of \$98.9 million in 2022, part of a 10-year capital plan (2020 to 2029) of \$979.3 million. There is one budget amendment proposed in the 2022 Annual Budget Update, noting that approval of that amendment will not impact the wastewater & treatment rate increase.

Multi-Year Budget Process Refresher

The graphic below is an illustration of the Multi-Year Budget Process. This Multi-Year Budget represents the second four-year budget approved by Municipal Council. Rather than approving a budget annually, Municipal Council approves the four-year budget, with the last year being subject to reconfirmation by the new term of Municipal Council. The 2020 to 2023 Multi-Year Budget aims to provide the financial resources to implement the 2019 to 2023 Strategic Plan.



Annual Update Process Refresher

Consistent with previous Annual Updates, changes to years 2022 to 2023 of the current Multi-Year Budget are being brought forward to provide flexibility to address special events or circumstances that require funding and resource adjustments. Each budget amendment is classified into the following three categories:

1. **New/Changed Regulation**

A new or changed legislation or regulation with a financial impact to the municipality

2. **New Council Direction**

A new Council direction that has transpired after the approval of the Multi-Year Budget

3. **Cost/Revenue Driver**

A corporate or service area budget adjustment as a result of a change in economic conditions

Each budget amendment that has an impact on the remaining years of the Multi-Year Budget (2022 to 2023) is supported by a Multi-Year Budget Amendment Case that provides Municipal Council with the rationale for the amendment and the financial and staffing impacts.

Budget amendments are only brought forward and approved once per year. Adjustments are limited to once per year, during the annual update period, to ensure that all requests are considered together.

Environmental, Social and Governance Considerations

Globally, there has been a growing trend of enhanced reporting of Environmental, Social and Governance (ESG) factors, in both evaluating specific business or government decisions as well as evaluation of organizations in their entirety. This approach has gained momentum over the last couple of years and has risen to such prominence that credit rating agencies, including the City of London's rating agency, are moving forward to separately assess and report ESG factors.

The growing emphasis on ESG factors aligns well with the work that has already been initiated at the City of London with respect to climate change and anti-racism and anti-oppression efforts. In order to achieve the City's Council-approved objective of having net-zero greenhouse gas emissions by 2050 and improved resilience to the impacts of climate change, the City must first understand our emissions and climate risks. We can then plan for our decisions to drive decarbonization of City activities and improve our resilience to climate impacts. The Climate Emergency Awareness and Screening Process is currently being developed and implemented to ensure that City staff are equipped with the required knowledge to identify emission sources and climate risks, explore potential alternatives, and recommend courses of action in line with an appropriate response to the climate emergency. Understanding and addressing climate issues directly in the budgeting process is key to ensuring that, wherever feasible, our investments position the City for a low-carbon, resilient future.

Additionally, Municipal Council has affirmed its commitment to eliminating systemic racism and oppression in our community. As individuals who serve the public, facing this troubling reality is both daunting and uncomfortable – and, for many, deeply personal. While this work demands urgency, the actions needed to deconstruct systems of racism and oppression will require sustained commitment and courageous action to drive transformative change. Londoners in the community and within the organization provide valuable insights on how the City of London can use its strength and position as an influential leader to drive anti-racism and anti-oppression work. The integration of equity impacts into the budget process began with the inclusion of an Anti-Racism and Anti-Oppression section that was added to each Budget Amendment in the 2021 Budget Update process with the assistance of the Anti-Racism and Anti-Oppression Working Group.

For the 2022 Annual Budget Update, Civic Administration has implemented an ESG evaluation of all budget amendments, incorporating important climate change and equity impact assessments, as well as any governance considerations, in an "Environmental, Social and Governance Considerations" section of each budget amendment. This section, structured as a series of questions to address the key considerations, was developed with the assistance of the City's Climate Change Planning team and the Anti-Racism and Anti-Oppression Working Group. This approach will continue to be refined and improved for the 2023 Annual Budget Update based on feedback from the process.

Looking further into the future, exploring the implementation of a carbon budget to parallel the City's financial operating and capital budgets is a long-term objective. By initiating the integration of climate emergency issues into the budgeting process now, the intent is to identify needs (staff resources, technical data and expertise, etc.) as well as the process(es) for emissions and climate risk management that will best integrate with the existing system used to manage City finances. Additionally, as further tools are developed to assist in assessing the impacts of programs, policies and services on equity-deserving groups (e.g., the Anti-Racism and Anti-

Oppression lens currently under development), these tools will be integrated into the budget process to ensure that budget requests fully consider the impacts on these groups. Further integration of climate and equity impact considerations into other aspects of the City's budgeting process (e.g., Business Plans, base budgets, etc.) will occur in preparation for the City's 2024 to 2027 Multi-Year Budget.

COVID-19 Pandemic Impacts

The global COVID-19 pandemic continued to impact the City of London and the community in 2021 and is projected to impact the 2022 budget year as well. While the Multi-Year Budget was approved prior to emergency orders being invoked, it has demonstrated many of its advantages through these turbulent times. As previously outlined, benefits of a multi-year budget include, among others, flexibility in the allocation of resources, efficient use of time and resources, and support of the City's Aaa credit rating.

With the 2021 Annual Budget Update, and continuing with this 2022 Annual Budget Update, budget amendments have been included that allow for a direct response to impacts from the pandemic. Resourcing needs have been modified to respond to service disruptions and expenditure increases have been deferred to align with updated timing, which in many cases provide for adjustments to reduce the tax levy.

The efficient use of time and resources by utilizing the multi-year budgeting approach has also provided Civic Administration the capacity to focus on quantification and monitoring of financial impacts resulting from COVID-19, both on the operating and capital budgets. This further supports the ability to complete applications and reporting requirements to obtain financial support from Federal and Provincial levels of government to help offset experienced financial pressures. The flexibility provided by the City's multi-year budgeting approach was acknowledged by the City of London's credit review agency, Moody's, not only through affirmation of the City's Aaa rating with a stable outlook, but also with specific references in their credit opinion:

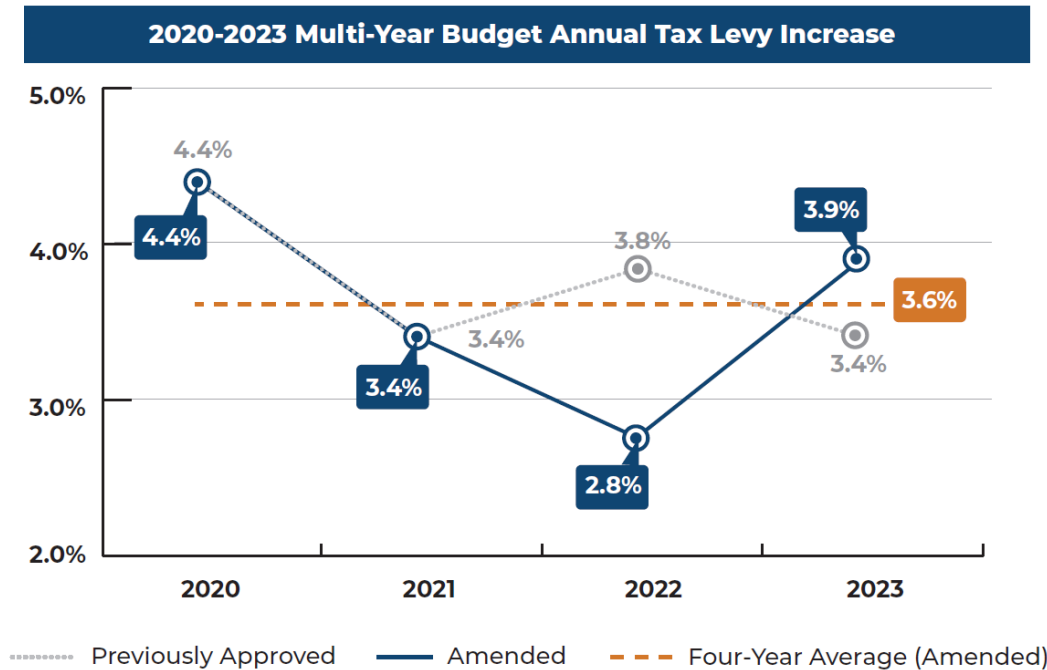
“In our view, the multi-year budget approach proved beneficial during the pandemic given the city's plans were already well developed which made the process to find mitigating measures relatively easier than for other municipalities that still needed to ‘build’ their budget.” – Moody's Credit Opinion for City of London, July 23, 2021

Budget in Brief – Property Tax Supported Budget

On March 2, 2020, Municipal Council approved the City’s second Multi-Year Budget covering the period from 2020 to 2023. The Multi-Year Budget was approved with an average annual tax levy increase from rates of 3.9%. After the first annual update to the Multi-Year Budget (2021), the four-year average annual increase from rates was 3.8%. The City of London is now in the second annual update to the Multi-Year Budget (2022).

The 2022 Annual Budget Update document contains a total of 12 property tax budget amendments. Ten of the budget amendments are being recommended by Civic Administration with two budget amendments submitted for Municipal Council’s consideration. All four of the capital budget amendments can be accommodated within the capital plan or via one-time funding sources resulting in no increase to the tax levy. Of the eight operating budget amendments, six would result in tax levy reductions, one would have no tax levy impact, and one would result in a tax levy increase.

Should Municipal Council approve all of the budget amendments, the 2022 increase from rates would decrease to 2.8% from the previously approved 3.8% increase while the four-year average annual increase would become 3.6%. The graph below illustrates the amended increases from rates for the remainder of the Multi-Year Budget period should all of the budget amendments be approved.



Note: Previously approved rates are recalculated taking into account assessment growth impact in each annual update year of the Multi-Year Budget period.

Budget In Brief – Property Tax Supported Budget

Operating Tax Levy Revenue Overview (\$ Thousands)

2022 Annual Update

Operating Budget	2020 Tax Levy Revenue	2021 Tax Levy Revenue	2022 Tax Levy Revenue	2023 Tax Levy Revenue	2020 to 2023 Average % Increase/Decrease
Previously Approved % Increase From Rates ¹	4.4%	3.4%	3.8%	3.4%	3.8%
Previously Approved Budget	642,901	673,581	699,372	723,382	
Amendment ²			-7,087	-3,885	
Amended Budget	642,901	673,581	692,284	719,498	
Amended % Increase From Rates	4.4%	3.4%	2.8%	3.9%	3.6%

Subject to rounding.

Notes

1. Previously approved rates are recalculated taking into account assessment growth impact in each annual update of the Multi-Year Budget period.
2. Amendment reflects impacts of all budget amendments as applicable.

Gross Operating Expenditure and Non-Tax Levy Revenue Budget Overview (\$ Thousands)

2022 Annual Update

Operating Budget	2020 Expenditure	2020 Non-Tax Levy Revenue	2021 Expenditure	2021 Non-Tax Levy Revenue	2022 Expenditure	2022 Non-Tax Levy Revenue	2023 Expenditure	2023 Non-Tax Levy Revenue
Previously Approved Budget	1,007,784	364,883	1,041,639	368,058	1,069,086	369,714	1,092,031	368,648
Amendment ¹					-5,131	1,956	-2,778	1,106
Amended Budget	1,007,784	364,883	1,041,639	368,058	1,063,955	371,670	1,089,252	369,755

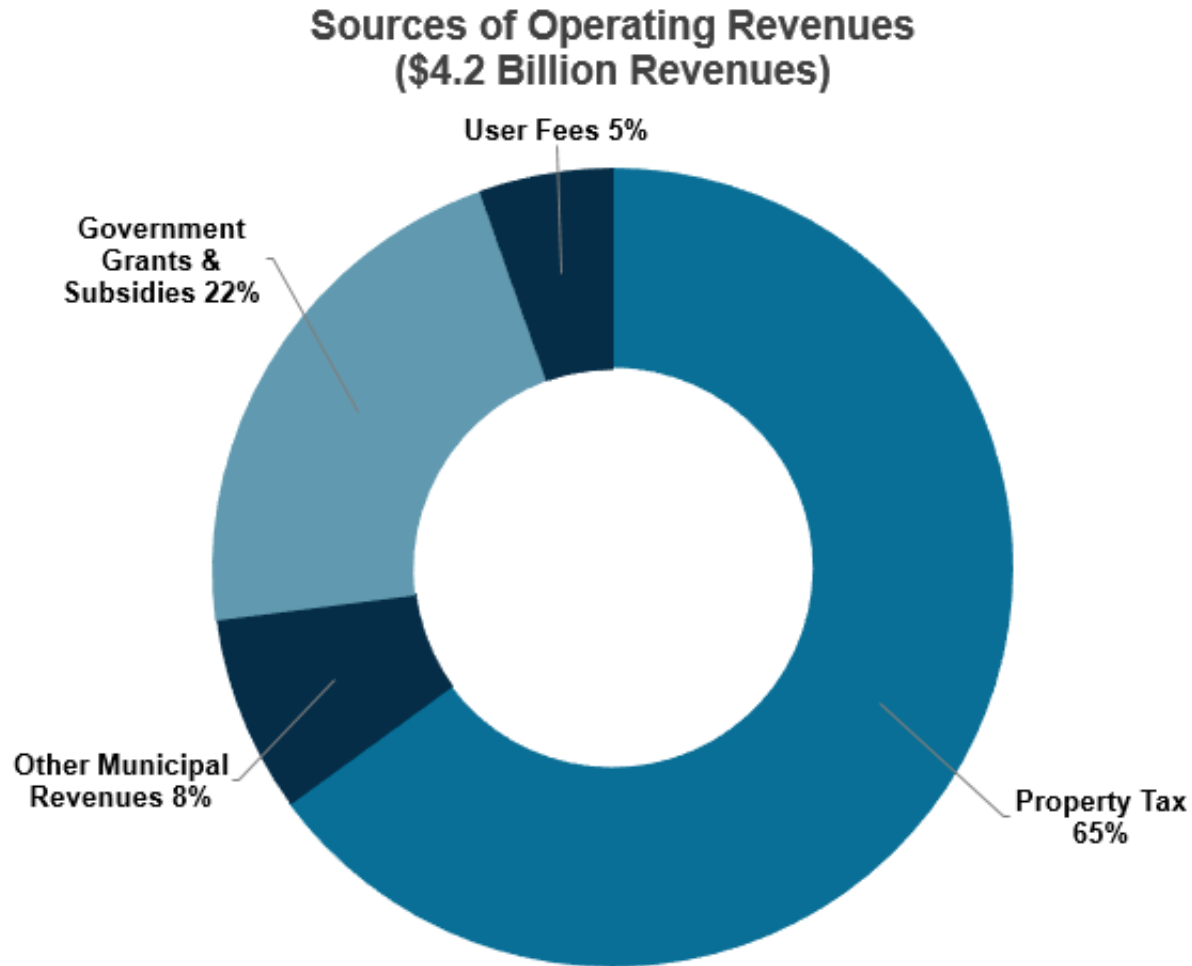
Subject to rounding.

Notes

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

Budget In Brief – Property Tax Supported Budget

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

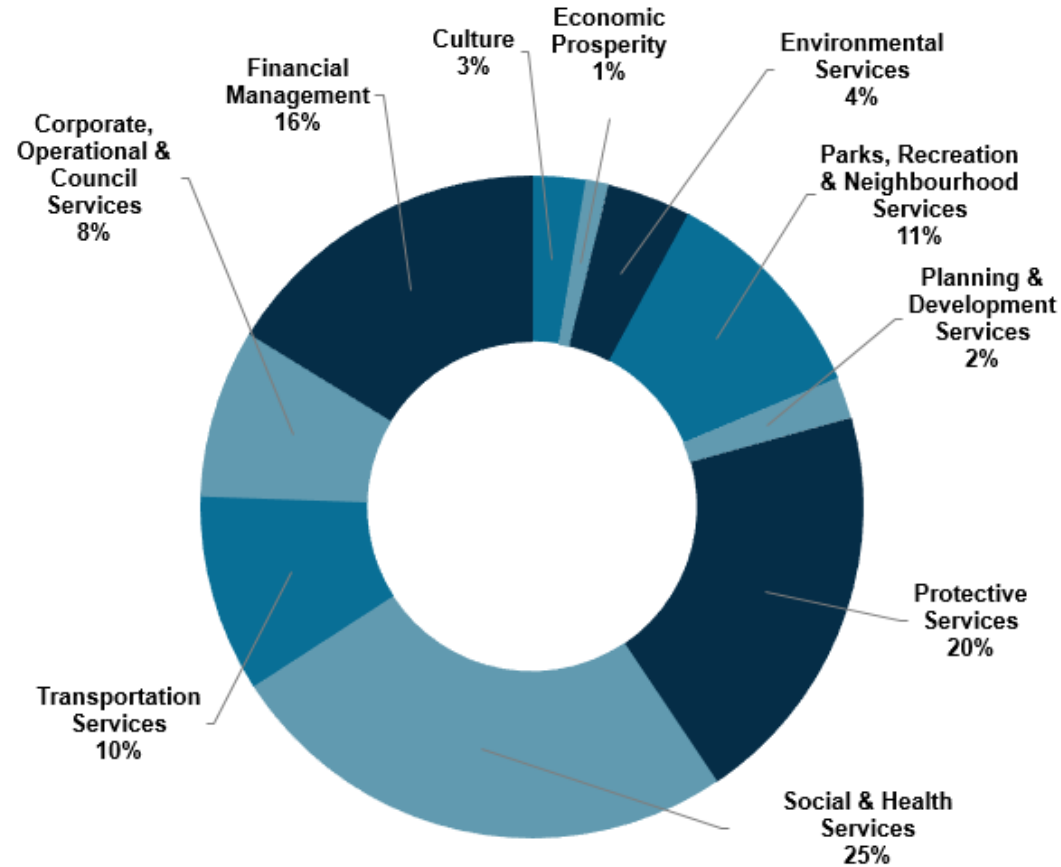


Note: Amounts reported include the impact of 2022 budget amendments.

Budget In Brief – Property Tax Supported Budget

The allocation of 2020 to 2023 Multi-Year Budget operating expenditures by service program is shown in the chart below.

How Operating Dollars are Spent By Service Program (\$4.2 Billion Expenditure)



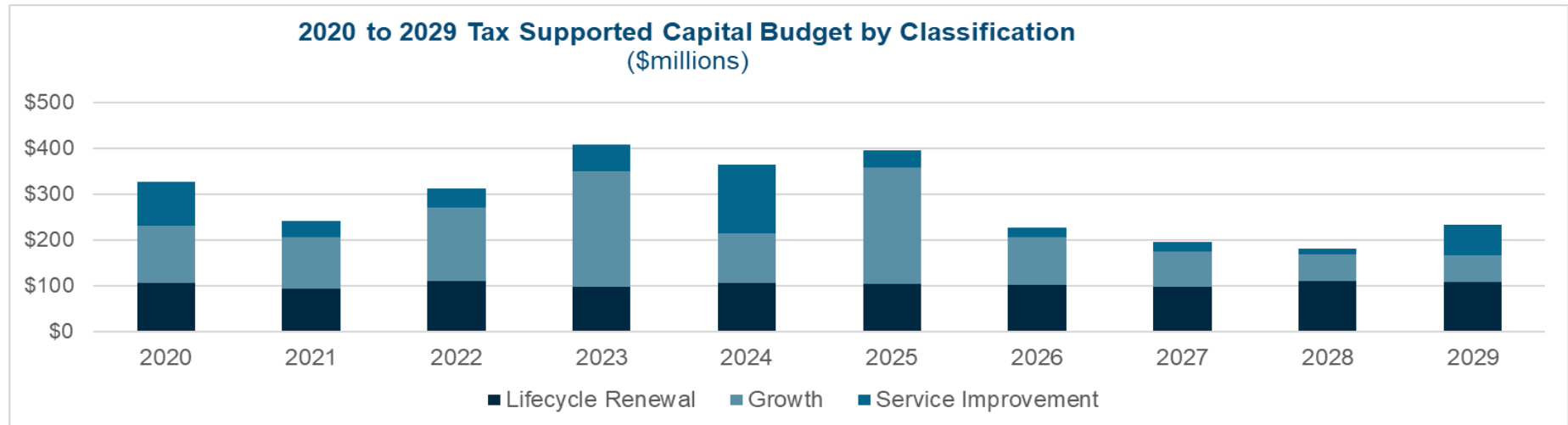
Note: Amounts reported include the impact of 2022 budget amendments.

Budget In Brief – Property Tax Supported Budget

2020 to 2029 Capital Budget Overview (\$ Millions)

































Capital Budget Classification	2020 to 2023 Amended Multi-Year Budget	2020 to 2029 Amended Capital Plan
Lifecycle Renewal projects maintain infrastructure that is in place today (e.g. road resurfacing and replacing equipment). This is a high priority component of the capital budget. The goal is to keep systems and facilities in good repair; regular planned maintenance is more affordable than reactive emergency repairs	\$407	\$1,033
Growth projects extend services into newly developed areas of the City (e.g. a road widening to handle additional traffic from new subdivisions). Growth projects are not always immediately imperative, but in the long run the City has a responsibility to provide adequate services to newly developed areas.	\$647	\$1,306
Service Improvement projects provide a new or improved level of service or address an emerging need (e.g. purchasing property for industrial land). These projects are optional, but the case may be compelling.	\$232	\$542
Total	\$1,286	\$2,880

Subject to rounding.



2020-2023 Average Daily Cost of Municipal Services

Average Daily Cost of Municipal Services: \$8.53¹

18% London Police Services 	\$1.52	4% Neighbourhood & Recreation Services 	\$0.32	2% Housing Services 	\$0.14	.6% Council Services 	\$0.05	.3% Conservation Authorities 	\$0.03
13% Capital Financing 	\$1.09	4% Garbage, Recycling & Composting 	\$0.31	1% Economic Development 	\$0.09	.5% Housing Development Corporation 	\$0.04	.3% Animal Services 	\$0.02
10% Fire Services 	\$0.84	3% Land Ambulance 	\$0.29	1% Middlesex-London Health Unit 	\$0.09	.5% Corporate Security & Emergency Management 	\$0.04	.3% Museum London 	\$0.02
9% Corporate Services 	\$0.78	3% Library Services 	\$0.27	.9% Long Term Care 	\$0.08	.5% Public Support Services 	\$0.04	.1% All Other Areas 	\$0.01
7% Roadways 	\$0.61	3% Social & Community Support Services 	\$0.27	.7% Development Services 	\$0.06	.4% Arts, Culture & Heritage Advisory & Funding 	\$0.03		
6% London Transit Commission 	\$0.52	2% Parks & Urban Forestry 	\$0.19	.7% Planning Services 	\$0.06	.3% Corporate Planning & Administration 	\$0.03		
5% Debt Servicing 	\$0.44	2% London & Middlesex Community Housing 	\$0.17	.6% Corporate Financing - Other 	\$0.05	.3% Tourism & Sports Attraction 	\$0.03		

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

Note: Amounts reported include the impact of 2022 budget amendments.

Budget In Brief – Water Budget

On March 2, 2020, Municipal Council approved the City’s second Multi-Year Budget covering the period from 2020 to 2023. The Multi-Year Budget was approved with an average annual Water rate increase of 2.5%.

The City of London, consistent with its Multi-Year Budget Policy, is undertaking its second annual update for the 2020 to 2023 Multi-Year Budget period. The 2022 Annual Budget Update continues to progress achievement of the City’s Strategic Plan while recognizing pressures experienced due to the global coronavirus pandemic (COVID-19). For the 2022 Annual Budget Update, the rate increase for Water will be 2.5%, as contemplated in the 2020 to 2023 Multi-Year Budget. The impact to the average ratepayer is outlined in the table below:

2020 to 2023 Impact on Average Residential Customer from Approved Rate Changes¹

Total Annual Amount	2019	2020	2021	2022	2023
Water	\$486	\$499	\$511	\$524	\$537
Annual Change	N/A	\$13	\$12	\$13	\$13

Subject to rounding.

Notes

1. The budgeted residential cost is based on an average residential consumption of 200 m³ (BMA Municipal Study).

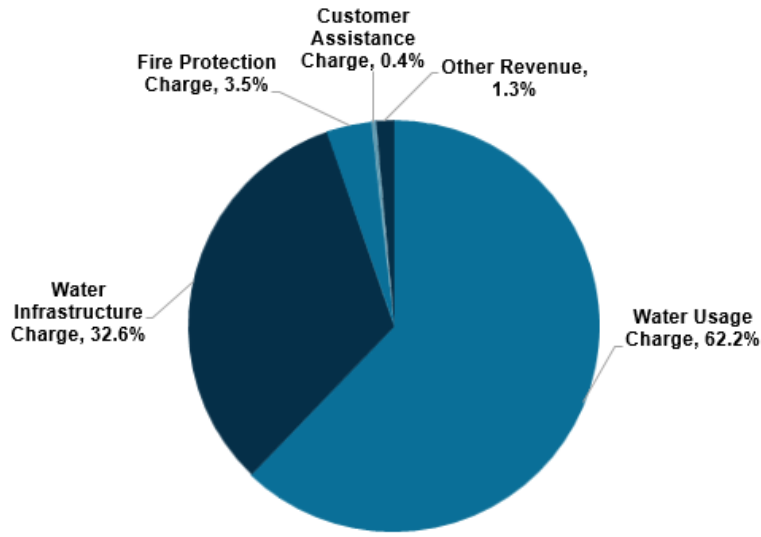
For 2022 there are two budget amendments for Water. The 2020 to 2023 Multi-Year Budget for Water is as follows:

Water – 2020 to 2023 Multi-Year Operating Budget (\$ Thousands)

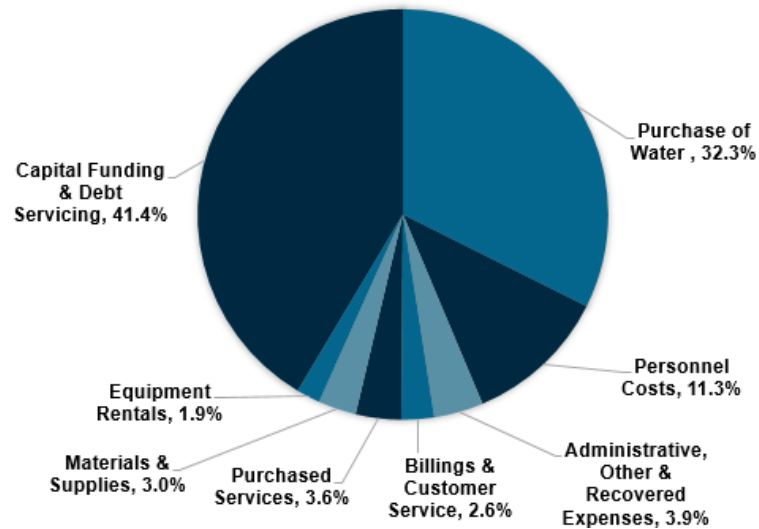
Water	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Average Annual % Increase/ Decrease
Water Rate Increase (Previously Approved)	2.5%	2.5%	2.5%	2.5%	2.5%
Total Water Budget	84,739	87,488	90,530	93,695	
Increase over Prior Year Budget	4,843	2,750	3,041	3,166	
Increase over Prior Year Budget (%)	6.1%	3.2%	3.5%	3.5%	4.1%

Subject to rounding.

**REVENUE BUDGET - WATER
FOUR YEAR AVERAGE (2020-2023)**



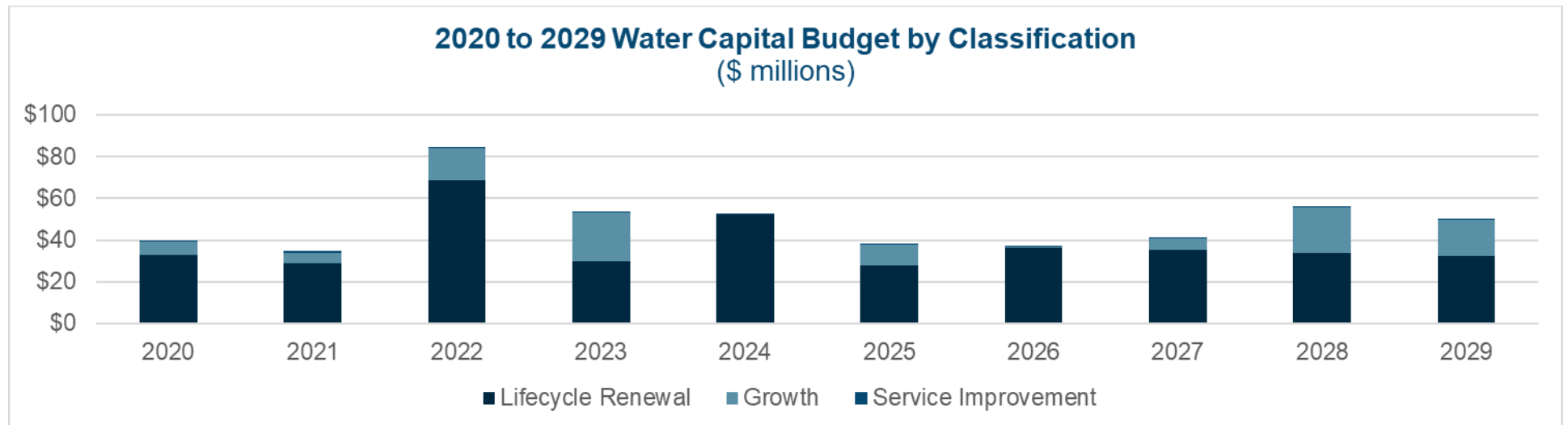
**EXPENDITURE BUDGET - WATER
FOUR YEAR AVERAGE (2020-2023)**



2020 to 2029 Water Capital Budget Overview (\$ Millions)

Capital Budget Classification	2020 to 2023 Amended Multi-Year Budget	2020 to 2029 Amended Capital Plan
Lifecycle Renewal projects maintain infrastructure that is in place today (e.g. reservoirs, watermains, valves, etc.). This is a high priority component of the capital budget. The goal is to keep systems and facilities in good repair; regular planned maintenance is more affordable than reactive emergency repairs.	\$167	\$382
Growth projects extend services into newly developed areas of the City (e.g. a watermain to service new subdivisions). Growth projects are not always immediately imperative, but in the long run the City has a responsibility to provide adequate services to newly developed areas.	\$35	\$96
Service Improvement projects provide a new or improved level of service or address an emerging need (e.g. upgrading equipment in a water pumping station). These projects are optional, but the case may be compelling.	\$2	\$5
Total	\$205	\$483

Subject to rounding.



Budget In Brief – Wastewater and Treatment Budget

On March 2, 2020, Municipal Council approved the City’s second Multi-Year Budget covering the period from 2020 to 2023. The Multi-Year Budget was approved with an average annual Wastewater and Treatment rate increase of 3.2%.

The City of London, consistent with its Multi-Year Budget Policy, is undertaking its second annual update for the 2020 to 2023 Multi-Year Budget period. The 2022 Annual Budget Update continues to progress achievement of the City’s Strategic Plan while recognizing pressures experienced due to the global coronavirus pandemic (COVID-19). In particular, due to the onset of COVID-19 and associated financial challenges experienced by many households and businesses, the additional rate increase for 2020 approved through the 2020 to 2023 Multi-Year Budget was deferred to 2021. The deferral was associated with the transfer of a portion of Conservation Authorities’ costs from the property tax supported budget to the Wastewater and Treatment budget. The approved 2021 Wastewater and Treatment rates included a phase-in approach, with the rate increase associated with the transfer of the Conservation Authorities’ costs implemented through an additional 2.7% rate increase which took effect July 1, 2021. For the 2022 Annual Budget Update, the rate increase for Wastewater and Treatment will be 2.5%, as contemplated in the 2020 to 2023 Multi-Year Budget. The impact to the average ratepayer is outlined in the table below:

2020 to 2023 Impact on Average Residential Customer from Approved Rate Changes^{1,2}

Total Annual Amount	2019	2020	2021	2022	2023
Sanitary	\$404	\$414	\$430	\$446	\$458
Storm	\$196	\$200	\$208	\$216	\$221
Total	\$600	\$614	\$638	\$662	\$679
Annual Change	N/A	\$14	\$24	\$24	\$17

Subject to rounding.

Notes

1. The budgeted residential cost is based on an average residential consumption of 200 m³ (BMA Municipal Study).
2. Impact on Average Residential Customer reflects impacts associated with the rate increase deferral due to COVID-19 resulting in a phased-in increase in 2021 with the full year impact of the rate increase reflected in 2022.

For 2022 there is one budget amendment for Wastewater and Treatment. The 2020 to 2023 Multi-Year Budget for Wastewater and Treatment is as follows:

Wastewater and Treatment – 2020 to 2023 Multi-Year Operating Budget (\$ Thousands)

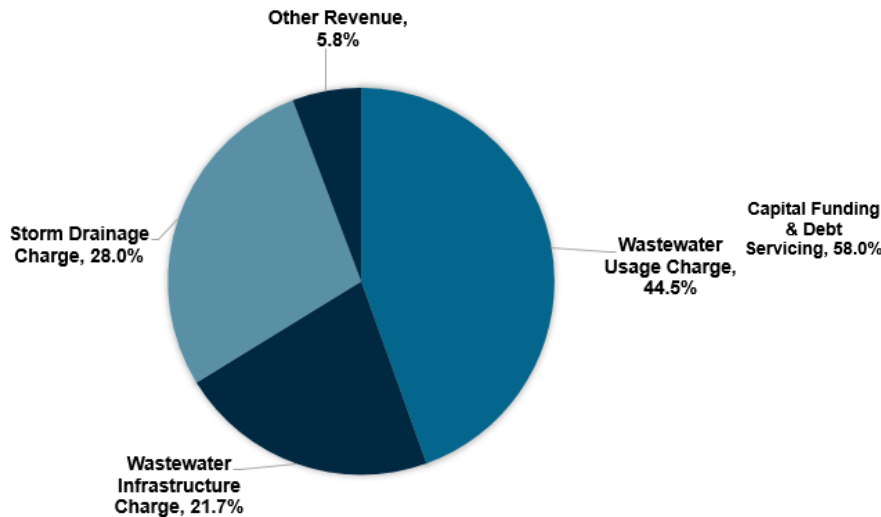
Wastewater and Treatment	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Average Annual % Increase/ Decrease
Wastewater and Treatment Rate Increase (Previously Approved ¹)	2.5%	5.2%	2.5%	2.5%	3.2%
Total Wastewater and Treatment Budget	106,500	109,937	113,668	117,544	
Increase over Prior Year Budget	8,318	3,437	3,731	3,876	
Increase over Prior Year Budget (%)	8.5%	3.2%	3.4%	3.4%	4.6%

Subject to rounding.

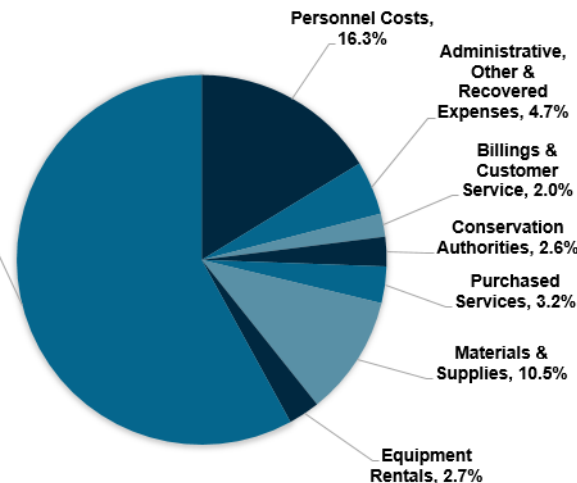
Note

1. Timing of rate implementation was deferred from 2020 to 2021 as a result of the COVID-19 pandemic as previously noted.

**REVENUE BUDGET - WASTEWATER
FOUR YEAR AVERAGE (2020-2023)**



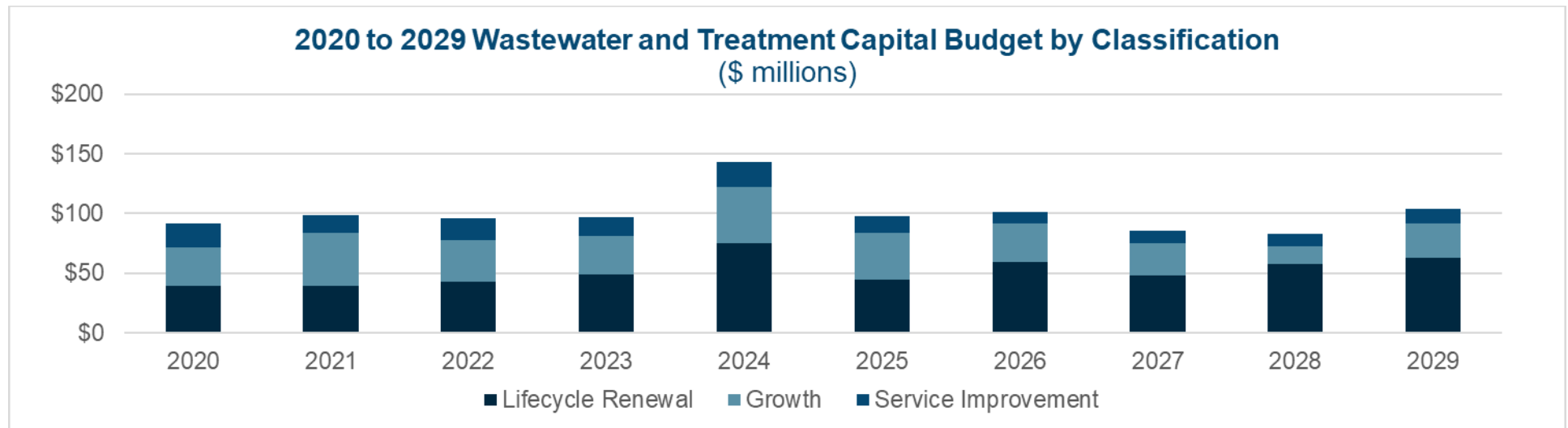
**EXPENDITURE BUDGET - WASTEWATER
FOUR YEAR AVERAGE (2020-2023)**



2020 to 2029 Wastewater and Treatment Capital Budget Overview (\$ Millions)

Capital Budget Classification	2020 to 2023 Amended Multi-Year Budget	2020 to 2029 Amended Capital Plan
Lifecycle Renewal projects maintain infrastructure that is in place today (e.g. local and trunk sewers, wastewater treatment plants and equipment). This is a high priority component of the capital budget. The goal is to keep systems and facilities in good repair; regular planned maintenance is more affordable than reactive emergency repairs.	\$162	\$495
Growth projects extend services into newly developed areas of the City (e.g. a trunk sewer to service new subdivisions). Growth projects are not always immediately imperative, but in the long run the City has a responsibility to provide adequate services to newly developed areas.	\$140	\$331
Service Improvement projects provide a new or improved level of service or address an emerging need (e.g. upgrading equipment in a wastewater treatment plant). These projects are optional, but the case may be compelling.	\$71	\$153
Total	\$373	\$979

Subject to rounding.



Public Sector Accounting Board Reconciliation

Reconciliation of Draft Budgets (Property Tax, Water, Wastewater and Treatment) to Public Sector Accounting Board Financial Statement Budget

Ontario municipalities must adhere to Public Sector Accounting Board (PSAB) accounting standards and reporting requirements. As allowed under Ontario Regulation 284/09, when preparing the budget, The City of London, like most municipalities, excludes typical PSAB items such as costs related to amortization expense, post-employment benefit expense and solid waste landfill closure and post-closure expense. However, the regulation does require that the municipality report to Council on the impact of these excluded costs prior to budget approval.

The tables on the following pages show the 2020 and 2021 approved budgets and the 2022 and 2023 amended budgets plus adjustments to comply with PSAB format, including the following items:

1. Expenses for the amortization of tangible capital assets.
2. Reserve fund contributions and pay as you go contributions for capital asset additions.
3. The current year's post-employment benefit expense for early retirement and accrued sick leave for employees that are eligible for these benefits. The City's consolidated liability as at December 31, 2020 was \$181.7 million. Reserve fund balances of \$143.9 million as of December 31, 2020 are available to offset this obligation. The City makes reserve fund contributions to offset the liabilities created from post-employment expenses depending upon generated surpluses and personnel cost savings.
4. The City has a landfill closure and post-closure liability of \$46.3 million. The Sanitary Landfill Reserve Fund, with a balance of \$26.0 million as of December 31, 2020, is for sanitary landfill activity and funds could be utilized to partially offset this liability.

If the above items were included in the 2020 to 2023 budgets, the projected annual PSAB surplus would increase.

Reconciliation of Property Tax Draft Budget to PSAB Financial Statement Budget (\$ Thousands)

Tax Supported Budget	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget
Property Tax	642,901	673,581	699,372	723,382
Property Tax - Draft Budget Amendments	0	0	-7,087	-3,885
Government Grants and Subsidies	225,409	225,963	225,892	226,153
User Fees	54,445	56,227	58,559	59,677
Municipal Revenues - Other	75,181	77,611	79,131	79,546
Municipal Revenues - Transfers from Capital	0	0	0	0
Municipal Revenues - Transfers from Reserves and Reserve Funds	9,848	8,257	8,088	4,379
Total Revenues	1,007,784	1,041,639	1,063,955	1,089,252
Personnel Costs	376,301	394,144	403,611	416,555
Administrative Expenses	7,360	7,395	7,183	7,227
Financial Expenses - Other	11,230	11,268	11,298	11,329
Financial Expenses - Interest and Discount on Long-term Debt	4,941	4,440	4,426	4,360
Financial Expenses - Debt Principal Repayments	31,200	30,420	28,048	27,799
Financial Expenses - Transfers to Reserves and Reserve Funds	66,484	68,190	69,228	71,510
Financial Expenses - Transfers to Capital	49,675	51,269	54,258	54,981
Purchased Services	214,230	225,568	232,381	239,444
Materials and Supplies	39,922	39,155	39,675	39,955
Vehicle and Equipment	25,078	25,827	26,418	26,443
Transfers	201,101	204,123	207,410	209,795
Other Expenses	941	1,094	1,359	1,371
Recovered Expenses	-20,679	-21,254	-21,340	-21,517
Total Expenses	1,007,784	1,041,639	1,063,955	1,089,252
Net Surplus (Deficit) Per Draft Budget	0	0	0	0

Subject to rounding.

PSAB Reporting Requirements Reconciliation – Property Tax Supported Budget (\$ Thousands)

Reconciliation Type	Description	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget
	Projected Net PSAB Surplus	134,916	105,390	133,969	137,716
Addback Revenue	Transfers from Capital	0	0	0	0
Addback Revenue	Transfers from Reserves and Reserve Funds	9,848	8,257	8,088	4,379
Deduct Expense	Transfers to Reserves and Reserve Funds	-66,484	-68,190	-69,228	-71,510
Deduct Expense	Transfers to Capital	-49,675	-51,269	-54,258	-54,981
Deduct Expense	Debt principal repayments	-31,200	-30,420	-28,048	-27,799
PSAB Adjustment	Capital program funding earned in year ¹	-92,221	-50,814	-90,528	-101,860
PSAB Adjustment	Capital projects not resulting in tangible capital assets ²	45,182	33,244	43,242	56,574
PSAB Adjustment	Amortization ³	90,521	95,025	99,811	104,874
PSAB Adjustment	Developer contributions of assumed tangible capital assets ⁴	-19,662	-20,562	-21,980	-23,698
PSAB Adjustment	Loss on disposal of tangible capital assets ⁵	1,707	1,595	1,566	1,572
PSAB Adjustment	Obligatory reserve fund deferred revenue earned in year - DC, Canada Community-Building Fund ⁶	-23,266	-22,006	-23,611	-26,044
PSAB Adjustment	Government Business Enterprises adjustments ⁷	-6,350	-6,089	-7,089	-6,930
PSAB Adjustment	Other	514	514	1,189	1,154
PSAB Adjustment	Landfill liability ⁸	2,455	2,059	2,296	2,304
PSAB Adjustment	Employee future benefit liability ⁹	3,715	3,266	4,581	4,249
	Net Surplus (Deficit) Per Draft Budget	0	0	0	0

Subject to rounding.

Reconciliation of Water Draft Budget to PSAB Financial Statement Budget (\$ Thousands)

Water Budget	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget
Property Tax	0	0	0	0
Draft Budget Amendments	0	0	0	0
Government Grants and Subsidies	0	0	0	0
User Fees	84,604	87,353	90,395	93,560
Municipal Revenues - Other	135	135	135	135
Municipal Revenues - Transfers from Capital	0	0	0	0
Municipal Revenues - Transfers from Reserves and Reserve Funds	0	0	0	0
Total Revenues	84,739	87,488	90,530	93,695
Personnel Costs	9,687	11,461	11,693	11,939
Administrative Expenses	3,231	3,281	3,330	3,380
Financial Expenses - Other	74	74	74	74
Financial Expenses - Interest and Discount on Long-term Debt	24	13	7	3
Financial Expenses - Debt Principal Repayments	327	337	105	108
Financial Expenses - Transfers to Reserves and Reserve Funds	13,741	14,362	15,478	16,410
Financial Expenses - Transfers to Capital	20,793	21,414	22,054	22,713
Purchased Services	3,030	3,088	3,152	3,215
Materials and Supplies	29,790	30,900	32,039	33,209
Vehicle and Equipment	1,608	1,652	1,686	1,730
Transfers	0	0	0	0
Other Expenses	2,759	2,765	2,771	2,774
Recovered Expenses	-325	-1,859	-1,859	-1,860
Total Expenses	84,739	87,488	90,530	93,695
Net Surplus (Deficit) Per Draft Budget	0	0	0	0

Subject to rounding.

PSAB Reporting Requirements Reconciliation – Water Rate Supported Budget (\$ Thousands)

Reconciliation Type	Description	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget
	Projected Net PSAB Surplus	20,570	21,902	23,031	18,348
Addback Revenue	Transfers from Capital	0	0	0	0
Addback Revenue	Transfers from Reserves and Reserve Funds	0	0	0	0
Deduct Expense	Transfers to Reserves and Reserve Funds	-13,741	-14,362	-15,478	-16,410
Deduct Expense	Transfers to Capital	-20,793	-21,414	-22,054	-22,713
Deduct Expense	Debt principal repayments	-327	-337	-105	-108
PSAB Adjustment	Capital program funding earned in year ¹	-1,388	-1,421	-743	-1,425
PSAB Adjustment	Capital projects not resulting in tangible capital assets ²	6,333	5,505	4,802	11,710
PSAB Adjustment	Amortization ³	17,881	18,771	19,716	20,717
PSAB Adjustment	Developer contributions of assumed tangible capital assets ⁴	-7,011	-7,017	-7,660	-8,517
PSAB Adjustment	Loss on disposal of tangible capital assets ⁵	686	485	582	544
PSAB Adjustment	Obligatory reserve fund deferred revenue earned in year - DC, Canada Community-Building Fund ⁶	-1,728	-1,515	-1,614	-1,774
PSAB Adjustment	Government Business Enterprises adjustments ⁷	0	0	0	0
PSAB Adjustment	Other	-580	-683	-598	-484
PSAB Adjustment	Landfill liability ⁸	0	0	0	0
PSAB Adjustment	Employee future benefit liability ⁹	98	86	121	112
	Net Surplus (Deficit) Per Draft Budget	0	0	0	0

Subject to rounding.

Reconciliation of Draft Wastewater and Treatment Budget to PSAB Financial Statement Budget (\$ Thousands)

Wastewater and Treatment Budget	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget
Property Tax	0	0	0	0
Draft Budget Amendments	0	0	0	0
Government Grants and Subsidies	30	30	30	30
User Fees	105,660	109,097	112,828	116,704
Municipal Revenues - Other	810	810	810	810
Municipal Revenues - Transfers from Capital	0	0	0	0
Municipal Revenues - Transfers from Reserves and Reserve Funds	0	0	0	0
Total Revenues	106,500	109,937	113,668	117,544
Personnel Costs	17,356	17,915	18,509	19,135
Administrative Expenses	5,464	5,546	5,629	5,714
Financial Expenses - Other	0	0	0	0
Financial Expenses - Interest and Discount on Long-term Debt	1,094	847	631	486
Financial Expenses - Debt Principal Repayments	8,654	8,346	5,207	4,239
Financial Expenses - Transfers to Reserves and Reserve Funds	29,361	31,824	37,927	41,214
Financial Expenses - Transfers to Capital	21,764	22,395	23,046	23,717
Purchased Services	3,493	3,549	3,609	3,670
Materials and Supplies	11,635	11,682	11,132	11,240
Vehicle and Equipment	2,994	3,048	3,096	3,150
Transfers	2,788	2,854	2,921	2,991
Other Expenses	7,328	7,373	7,443	7,501
Recovered Expenses	-5,431	-5,442	-5,482	-5,513
Total Expenses	106,500	109,937	113,668	117,544
Net Surplus (Deficit) Per Draft Budget	0	0	0	0

Subject to rounding.

PSAB Reporting Requirements Reconciliation – Wastewater and Treatment Rate Supported Budget
(\$ Thousands)

Reconciliation Type	Description	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget
	Projected Net PSAB Surplus	34,954	30,407	34,554	36,624
Addback Revenue	Transfers from Capital	0	0	0	0
Addback Revenue	Transfers from Reserves and Reserve Funds	0	0	0	0
Deduct Expense	Transfers to Reserves and Reserve Funds	-29,361	-31,824	-37,927	-41,214
Deduct Expense	Transfers to Capital	-21,764	-22,395	-23,046	-23,717
Deduct Expense	Debt principal repayments	-8,654	-8,346	-5,207	-4,239
PSAB Adjustment	Capital program funding earned in year ¹	-5,082	-1,046	-4,710	-4,710
PSAB Adjustment	Capital projects not resulting in tangible capital assets ²	11,887	12,737	13,700	13,325
PSAB Adjustment	Amortization ³	48,719	51,143	53,718	56,443
PSAB Adjustment	Developer contributions of assumed tangible capital assets ⁴	-20,695	-21,037	-21,204	-21,446
PSAB Adjustment	Loss on disposal of tangible capital assets ⁵	588	574	593	584
PSAB Adjustment	Obligatory reserve fund deferred revenue earned in year - DC, Canada Community-Building Fund ⁶	-9,900	-9,486	-10,191	-11,343
PSAB Adjustment	Government Business Enterprises adjustments ⁷	0	0	0	0
PSAB Adjustment	Other	-867	-881	-496	-507
PSAB Adjustment	Landfill liability ⁸	0	0	0	0
PSAB Adjustment	Employee future benefit liability ⁹	175	154	216	200
	Net Surplus (Deficit) Per Draft Budget	0	0	0	0

Subject to rounding.

PSAB Reconciliation Notes

1. Represents capital revenue such as provincial and federal grants and other contributions. Does not include debenture financing, transfers from operating or reserve funds. Estimate is based on the approved capital budget for the respective years 2020 to 2023.
2. For PSAB purposes, any expenses not considered to be part of the cost of a tangible capital asset are expensed as operating expenses. Therefore, although funded through capital, these expenses will be included in the operating expenses in the year incurred and will be reflected in the Statement of Operations on the financial statements. Estimated based on 13.86% of the capital expenditure budget, based on 2019 actuals.
3. Represents the annual writedown of the tangible capital assets over the useful life of the asset. Estimated annual average increase of 4.79% based on 5 year rolling average.
4. Contributed tangible capital assets are tangible capital assets that become the ownership of the City when a subdivision is assumed by the City. These assets are recognized at estimated fair market value during the year of assumption. These assets are predominantly comprised of roads infrastructure. Estimate based on 5 year rolling average.
5. When an asset is replaced prior to the end of its useful life, an adjustment must be made to expense the remaining book value. Amount fluctuates from year to year. Estimate based on 5 year rolling average.
6. Transactions recorded directly to reserve funds must be accounted for through the operating or capital fund. This includes recognition of development charge levies and Canada Community-Building Fund grants earned in the year.
7. London Hydro Inc., Fair-City Joint Venture and City-YMCA Joint Venture are considered Government Business Enterprises (GBE). At year end, the City must record the City's share of earnings based on our percentage ownership in each GBE. Estimate based on 5 year rolling average.
8. Represents the annual increase in the estimated future cost of post-closure related to landfills. Estimate based on 5 year rolling average.
9. Represents the annual change in the estimated future costs of employee benefits. Estimate based on 5 year rolling average.

Budget Recommendations

Property Tax Budget Amendments (amounts rounded to the nearest thousand)

- a) That the following 2020 to 2023 Multi-Year Budget amendment cases recommended by Civic Administration **BE APPROVED**;
- i. Budget Amendment Case #P-1 – Various Services – Budget Right-Sizing
2022 to 2023 Total: Operating Expenditure -\$4,982,000; Tax Levy -\$6,994,000
 - ii. Budget Amendment Case #P-2 – Middlesex London Health Unit – Inflationary Pressures
2022 to 2023 Total: Operating Expenditure \$1,280,000; Tax Levy \$1,280,000
 - iii. Budget Amendment Case #P-3 – RBC Place London – Funding Support
2022 to 2023 Total: Operating Expenditure \$850,000; Tax Levy \$0
 - iv. Budget Amendment Case #P-4 – Private Parking Enforcement – Increased Fines
2022 to 2023 Total: Operating Expenditure \$0; Tax Levy -\$200,000
 - v. Budget Amendment Case #P-5 – Child Care and Ontario Works – Reduction in Required Investment
2022 to 2023 Total: Operating Expenditure -\$2,773,000; Tax Levy -\$2,773,000
 - vi. Budget Amendment Case #P-6 – Infrastructure Gap and Community Building Projects – Reductions
2022 to 2023 Total: Operating Expenditure -\$1,300,000; Tax Levy -\$1,300,000
- b) That the following 2020 to 2023 Multi-Year Budget amendment cases **BE CONSIDERED**;
- i. Budget Amendment Case #P-7 – Neighbourhood Strategic Initiatives and Funding and Sports Services – Reduction to Neighbourhood and Athletic Travel Grant Programs
2022 to 2023 Total: Operating Expenditure -\$470,000; Tax Levy -\$470,000
 - ii. Budget Amendment Case #P-8 – Parks Planning and Design, Parks and Horticulture and Urban Forestry – Naturalization and Reduction in Tree Trimming
2022 to 2023 Total: Operating Expenditure -\$516,000; Tax Levy -\$516,000
- c) That the following 2020 to 2023 Multi-Year Budget capital amendment cases recommended by Civic Administration **BE APPROVED**;
- i. Budget Amendment Case #P-9 – Invasive Species Management - Capital
2022 to 2023 Total: Capital Expenditure \$750,000; Tax Levy \$0
 - ii. Budget Amendment Case #P-10 – Transportation – Capital Project Adjustments
2022 to 2023 Total: Capital Expenditure \$9,191,000 Tax Levy \$0
 - iii. Budget Amendment Case #P-11 – Long-term Disposal Capacity – Revised Costs
2022 to 2023 Total: Capital Expenditure \$1,720,000 Tax Levy \$0
 - iv. Budget Amendment Case #P-12 – LTC – Zero Emission Buses

2022 to 2023 Total: Capital Expenditure \$25,960,000; Tax Levy \$0

Other Budget Recommendations

- d) That the Reserves and Reserve Funds Overview **BE RECEIVED** for information; it being noted projections are subject to annual review and adjustment (Appendix C).
- e) That the Debt Overview (Appendix D) **BE RECEIVED** for information.
- f) That the reconciliation of the draft Property Tax Budget to the Public Sector Accounting Board financial statement budget **BE RECEIVED** for information.
- g) That, in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the following actions be taken with respect to the operating budget (Appendix A):
 - i. The amended 2022 operating budget **BE READOPTED** in the gross expenditure amount of \$TBD and the tax levy amount of \$TBD after recognizing \$TBD of increased taxation from assessment growth;
 - ii. The amended 2023 operating budget **BE READOPTED** in the gross expenditure amount of \$TBD and the tax levy amount of \$TBD.
- h) That, in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the following actions be taken with respect to the capital budget (Appendix B):
 - i. The amended 2022 capital budget **BE READOPTED** in the amount of \$TBD;
 - ii. The amended 2023 capital budget **BE READOPTED** in the amount of \$TBD;
 - iii. The amended 2024 to 2029 capital forecast **BE APPROVED** in principle in the amount of \$TBD.
- i) That Civic Administration **BE DIRECTED** to bring forward any necessary by-laws regarding the tax levy, the operating and capital budgets for introduction at Municipal Council.

Water Budget Recommendations (amounts rounded to the nearest thousand)

- j) That the following 2020 to 2023 Multi-Year Budget amendment cases recommended by Civic Administration **BE APPROVED**;
 - i. Budget Amendment Case #W-1 – Schedule Changes for Water Lifecycle Renewal Projects
2022 to 2023 Total: Operating Expenditure \$0; Operating Revenue \$0; Capital Expenditure \$0
 - ii. Budget Amendment Case #W-2 – Schedule Changes for Water Growth Projects
2022 to 2023 Total: Operating Expenditure \$0; Operating Revenue \$0; Capital Expenditure \$0

- k) That the Water Reserves/Reserve Funds Overview for the 2020 to 2023 Multi-Year Budget **BE RECEIVED** for information.
- l) That the reconciliation of the draft Water Budget to the Public Sector Accounting Board financial statement budget **BE RECEIVED** for information.
- m) That, in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the following actions be taken with respect to the 2022 to 2023 operating budgets and 2022 to 2023 capital budgets and associated forecasts for Water Services:
 - i. The amended 2022 operating budget for Water Services **BE READOPTED** in the gross expenditure amount of \$TBD and gross revenue amount of \$TBD;
 - ii. The amended 2023 operating budget for Water Services **BE READOPTED** in the gross expenditure amount of \$TBD and gross revenue amount of \$TBD;
 - iii. The amended 2022 capital budget for Water Services **BE READOPTED** in the amount of \$TBD;
 - iv. The amended 2023 capital budget for Water Services **BE READOPTED** in the amount of \$TBD;
 - v. The amended 2024 to 2029 capital forecast for Water Services **BE APPROVED** in principle in the amount of \$TBD;

It being noted that all rates and charges related to the provision of Water Services were increased by 2.5% effective January 1, 2020 as approved by Council on November 26, 2019, increased by 2.5% effective January 1, 2021 and will be increased 2.5% effective January 1 each year for 2022 to 2023 as approved by Council on October 27, 2020.

Wastewater and Treatment Budget Recommendations (amounts rounded to the nearest thousand)

- n) That the following 2020 to 2023 Multi-Year Budget amendment case recommended by Civic Administration **BE APPROVED**;
 - i. Budget Amendment Case #WWT-1 – Reduce Energy Budget at Greenway Wastewater Treatment Plant and Create Dedicated Program for Sewage Bypass and Overflow Elimination
2022 to 2023 Total: Operating Expenditure \$0; Operating Revenue \$0; Capital Expenditure \$1,417,000
- o) That the Wastewater and Treatment Reserves/Reserve Funds Overview for the 2020 to 2023 Multi-Year Budget **BE RECEIVED** for information.
- p) That the reconciliation of the draft Wastewater and Treatment Budget to the Public Sector Accounting Board financial statement budget **BE RECEIVED** for information.
- q) That, in accordance with section 291(4)(c) of the Municipal Act 2001, as amended, the following actions be taken with respect to the 2022 to 2023 operating budgets and 2022 to 2023 capital budgets and associated forecasts for Wastewater and Treatment Services:

- i. The amended 2022 operating budget for Wastewater and Treatment Services **BE READOPTED** in the gross expenditure amount of \$TBD and gross revenue amount of \$TBD;
- ii. The amended 2023 operating budget for Wastewater and Treatment Services **BE READOPTED** in the gross expenditure amount of \$TBD and gross revenue amount of \$TBD;
- iii. The amended 2022 capital budget for Wastewater and Treatment Services **BE READOPTED** in the amount of \$TBD;
- iv. The amended 2023 capital budget for Wastewater and Treatment Services **BE READOPTED** in the amount of \$TBD;
- v. The amended 2024 to 2029 capital forecast for Wastewater and Treatment Services **BE APPROVED** in principle in the amount of \$TBD;

It being noted that all rates and charges relating to the provision of Wastewater and Treatment Services were increased by 2.5% effective January 1, 2020 as approved by Council on November 26, 2019, increased by 2.5% effective January 1, 2021, and 2.7% effective July 1, 2021, and 2.5% effective January 1 each year for 2022 and 2023 as approved by Council on October 27, 2020.

Property Tax Supported Budget

2020 to 2023 Multi-Year Budget Recap

On March 2, 2020, Municipal Council approved the 2020 to 2023 Multi-Year Budget, marking the second time the City has approved a four-year budget. The 2020 to 2023 budget resulted in a 3.9% average annual property tax rate increase. This was comprised of a base operating budget (to maintain existing service levels) average annual increase of 3.0%, which also included Municipal Council approved provincial impacts, eight Municipal Council approved business cases for tax levy reductions resulting in an average annual reduction of 0.2%, and 24 Municipal Council approved business cases for additional investment which resulted in an additional average annual increase of 1.1%.

On January 12th, 2021, Municipal Council approved the 2021 Annual Budget Update. This was the first annual update to the 2020-2023 Multi-Year Budget. As part of the 2021 Annual Budget Update, Municipal Council approved a total of eleven budget amendments that were the result of new or changed provincial regulation, new Council direction, or an unanticipated cost or revenue driver. After the first annual update to the 2020-2023 Multi-Year Budget, the four-year average annual increase from rates is 3.8%. Appendix E contains a detailed and itemized breakdown of the business cases approved as part of the 2020 to 2023 Multi-Year Budget and their impacts.

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

2020 to 2023 Multi-Year Capital Budget	2024 to 2029 Capital Forecast	2020 to 2029 Capital Plan
\$1,224,833,000	\$1,528,599,000	\$2,753,432,000

Subject to rounding.

2022 Annual Budget Update

COVID-19 Pandemic

COVID-19 continues to have a significant financial impact on the City's Property Tax Supported Budget. The City continues to incur lost revenues and additional costs related to COVID-19. Based on forecasts included in the City's 2021 Mid-Year Operating Budget Monitoring Report, total projected COVID-19 related financial impacts to the 2021 Property Tax Supported Budget are estimated to be in excess of \$70 million. However, significant Federal and Provincial support has been made available since the onset of the pandemic through various programs announced this year and unused funding carried over from 2020. In addition, net operational savings are projected primarily from temporary closures or reduced operations in various programs, services and facilities throughout the City due to public health restrictions. Combining the Federal and Provincial funding support with net operational savings is projected to be sufficient to cover the residual deficit impacts of COVID-19 in 2021.

Due to the evolving nature of the pandemic, future financial impacts are difficult to forecast. Civic administration will continue to actively assess the financial impacts of COVID-19 after budget approval and will continue to report to Municipal Council with any further adjustments to the Multi-Year Budget, as needed.

In light of the previously mentioned financial impacts and continued uncertainty as it relates to the potential impacts of COVID-19 on the City's Multi-Year Budget, guidance was issued to service areas to support the 2022 Annual Budget Update process. The following principles were established:

Operating Budget:

Consistent with the guidance provided as part of the 2021 Budget Update, all civic service areas and agencies, boards and commissions (ABC's) were required to remain within their 2022 and 2023 operating budget allocation. Only budget amendments resulting in net budget reductions were to be included in the 2022 Annual Budget Update for Municipal Council's consideration. If a civic service area or ABC believed they required an increase to their 2022 or 2023 operating budget, advanced approval from the City Treasurer would have been required prior to proceeding with the development of the budget amendment, which would need to be supported by strong rationale and be unavoidable.

Capital Budget:

Increases to the 10 year capital plan with a tax levy impact were not permitted except with advanced approval from the City Treasurer and would require strong rationale and be unavoidable to be supported. Only the following capital budget amendments were permitted for Municipal Council's consideration:

- Budget amendments resulting in reductions to the 10 year capital plan;
- Budget amendments resulting in no net change to the 10 year capital plan (i.e. adjustments to project timing only), subject to the ability of the associated funding sources to accommodate the change;

- Budget amendments resulting in an increase to the 10 year capital plan with no tax levy impact and advanced approval from the City Treasurer; and
- Budget amendments resulting in an increase to the 10 year capital plan, as directed by Council resolution.

Linkage to Service Review Program:

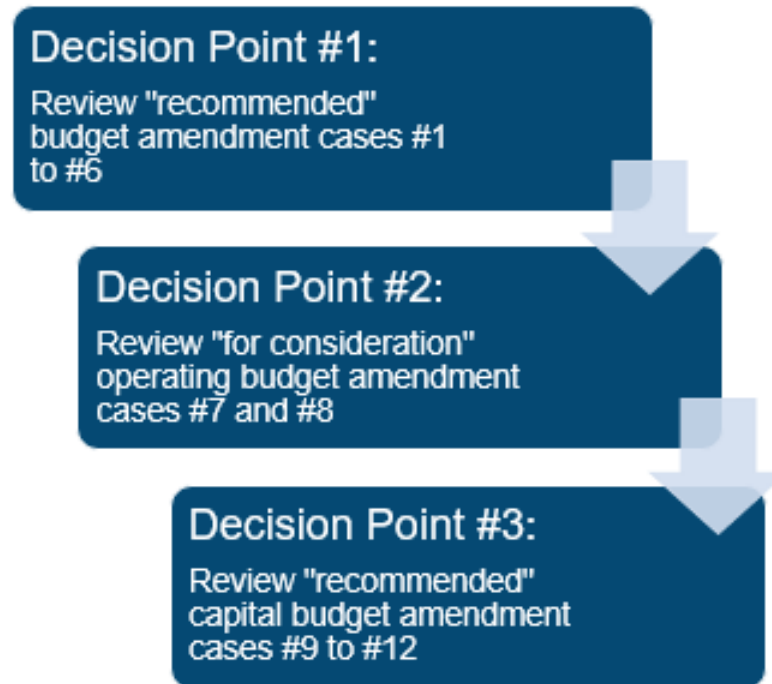
As outlined in the October 19, 2021 Service Review Initiatives report to the Strategic Priorities and Policy Committee, Civic Administration remains committed to enhancing the efficiency and effectiveness of City of London services while minimizing the cost to taxpayers. In preparing the 2020-2023 Multi-Year Budget, more than \$17 million of incremental reductions were incorporated in the approved budget by 2023 based on an analysis of past spending. Additionally, through the 2021 Annual Budget Update Process, six budget amendments totalling almost \$6 million were presented and approved by Council based on right-sizing of budget resources to anticipated needs for 2021.

In preparation for the 2022 Annual Budget Update, in recognition of the anticipated tax levy increase for 2022, Civic Administration undertook an extensive analysis of potential opportunities for reductions using zero-based review techniques. These reviews yielded a number of potential reductions, which are reflected in Budget Amendment #P-1: Budget Right-Sizing. Additionally, further reductions are proposed in Budget Amendment #P-5 and Budget Amendment #P-6 related to previously approved provincial impacts which can be deferred for 2022 and previously approved additional investments that can be reduced. Finally, further opportunities to reduce the property tax levy increase, should Council wish to consider them, are outlined in Budget Amendments #P-7 and #P-8.

Budget Amendment Overview

Should Municipal Council choose to approve all budget amendments, the 2022 annual tax levy increase would decrease from 3.8% to 2.8%. The budget amendments can be broken down into the following three decision points:

- Decision Point #1: Six operating budget amendments are being recommended by Civic Administration. Of the recommended operating budget amendments, four result in tax levy reductions, one has no tax levy impact, and one would result in a tax levy increase.
- Decision Point #2: Two operating budget amendments are being brought forward for Municipal Council consideration that would result in tax levy reductions if approved.
- Decision Point #3: Four capital budget amendments are being recommended by Civic Administration with an identified source of financing resulting in no impact to the tax levy for the 2020-2023 Multi-Year Budget period.



Budget Amendment Overview

Budget Amendment Summary (\$ Thousands)	2022 Tax Levy Impact	2023 Tax Levy Impact
Case #P-1 (Operating): Various Services – Budget Right Sizing	-3,712	-3,282
Case #P-2 (Operating): Middlesex London Health Unit Inflationary Pressures	640	640
Case #P-3 (Operating): RBC Place London – Funding Support	0	0
Case #P-4 (Operating): Parking – Private Parking Enforcement Program Increased Fines	-100	-100
Case #P-5 (Operating): Childcare and Ontario Works – Reduction in Required 2022 Investments	-2,773	0
Case #P-6 (Operating): Reduction to Previously Approved Business Cases - Infrastructure Gap and Community Building Projects	-650	-650
Case #P-7 (Operating): Reduction to Neighbourhood and Athletic Travel Grant Programs	-235	-235
Case #P-8 (Operating): Parks Naturalization and Reduction in Tree Trimming	-258	-258
Case #P-9 (Capital): Invasive Species Management	0	0
Case #P-10 (Capital): Transportation Project Adjustments	0	0
Case #P-11 (Capital): Long-term Disposal Capacity	0	0
Case #P-12 (Capital): Initial Implementation of Zero Emission Buses	0	0
Annual Tax Levy Impact	-7,087	-3,885

Subject to rounding.

Budget Amendment Overview

A summary of all submitted budget amendments are listed below. For further details, please refer to the budget amendment business cases (2022 Annual Budget Update Amendment Cases).

Operating Budget Amendment Case #P-1: Cost/Revenue Driver

Various Services - Reductions due to zero-based reviews and other budget right-sizing (Recommended)

Operating Budget Amendment (\$ Thousands)	2022	2023
Expenditure	-2,706	-2,276
Revenue	-1,006	-1,006
Annual Tax Levy Impact	-3,712	-3,282

Subject to rounding.

Description:

Civic Administration conducts regular reviews of its budgets to ensure resources are aligned with current service level requirements. These reviews are supported through techniques such as zero-based budget reviews and trend analysis, among others. As a result of this work, Civic Administration has identified permanent budget reductions and budget right-sizing (reduced expenditures and increased revenues) that can be implemented without impacting service levels.

Operating Budget Amendment Case #P-2: Cost Driver

Middlesex London Health Unit - Additional operating costs due to inflationary pressures (Recommended)

Operating Budget Amendment (\$ Thousands)	2022	2023
Expenditure	640	640
Revenue	0	0
Annual Tax Levy Impact	640	640

Subject to rounding.

Description:

Through the annual PBMA (Program Budgeting and Marginal Analysis) and 2021 budget process, the Middlesex-London Health Unit determined that an increase of \$762,182 (City of London \$640,233 and County of Middlesex \$121,949) was required for 2021, made up largely of inflationary and incremental premises cost pressures.

Operating Budget Amendment Case #P-3: Revenue Driver RBC Place London - Funding support (Recommended)

Operating Budget Amendment (\$ Thousands)	2022	2023
Expenditure	850	0
Revenue	-850	0
Annual Tax Levy Impact	0	0

Subject to rounding.

Description:

Current COVID-19 restrictions continue to hamper the recovery of the tourism and events industry overall including RBC Place London. The impact of COVID-19 and subsequent Provincial restrictions continue to negatively impact the venue's ability to fully cover operational costs in 2022 while recovering from this devastating pandemic. Current operational and cash flow analysis shows a significant need for additional City of London funding support during the first few months of 2022 based on the current number and nature of events on the books. As a result, RBC Place London is looking to proactively address the projected operational and cash flow shortfall in order to continue to operate and maintain the facility through 2022. Revenue to support this expenditure shortfall is recommended to be drawn from the Operating Budget Contingency Reserve.

Operating Budget Amendment Case #P-4: Revenue Driver

Parking - Private parking enforcement program increased fines (Recommended)

Operating Budget Amendment (\$ Thousands)	2022	2023
Expenditure	0	0
Revenue	-100	-100
Annual Tax Levy Impact	-100	-100

Subject to rounding.

Description:

One of the parking services offered to property owners is the Private Parking Enforcement Program. This Program has been offered for several years and is the third highest ticket issuance category in terms of volume of charges. As this Program is more of a deterrent for private property trespassing than a parking issue on public property, it would be timely to re-examine the penalty amount of \$45 as an adequate amount to deter repeated offences. Increasing the penalty to \$60 would be a reasonable deterrent to repetitive trespassing for parking purposes. This would generate approximately \$100 thousand of additional revenue annually, noting that this is not the purpose of the penalty increase.

Operating Budget Amendment Case #P-5: Cost Driver

Child Care and Ontario Works - Reduction in required 2022 investments (Recommended)

Operating Budget Amendment (\$ Thousands)	2022	2023
Expenditure	-2,773	0
Revenue	0	0
Annual Tax Levy Impact	-2,773	0

Subject to rounding.

Description:

In the 2020-2023 Multi-Year Budget, Council approved additional funding for the Ontario Works Program in light of Provincial funding changes as well as additional funding for the development of anticipated new child care centres. As a result of the COVID-19 pandemic and associated recovery benefits, the Ontario Works program has experienced a decreased caseload along with a decrease in employment related expenses resulting in net funding of \$1.143 million not required for 2022. Further, the development of anticipated child care centres has been delayed due to COVID-19, resulting in the municipal portion of the Child Care Expansion Plan Funding now not required in 2022 (\$1.63 million).

Operating Budget Amendment Case #P-6: Cost Driver

Reductions to Previously Approved Business Cases - Infrastructure Gap and Community Building Projects (Recommended)

Operating Budget Amendment (\$ Thousands)	2022	2023
Expenditure	-650	-650
Revenue	0	0
Annual Tax Levy Impact	-650	-650

Subject to rounding.

Description:

The reason for this budget amendment is to seek Council's approval regarding an additional permanent reduction of \$600 thousand to the Council approved 2020 to 2023 Additional Investment Business Case 4B - City of London Infrastructure Gap and a reduction of \$50 thousand to the Council approved 2020 to 2023 Additional Investment Business Case 17A – Community Improvement Plan - Community Building Projects.

Operating Budget Amendment Case #P-7: Cost Driver

Reduction to Neighbourhood and Athletic Travel Grant Programs (For Consideration)

Operating Budget Amendment (\$ Thousands)	2022	2023
Expenditure	-235	-235
Revenue	0	0
Annual Tax Levy Impact	-235	-235

Subject to rounding.

Description:

Three programs providing community grants have been identified as potential budget reduction opportunities: the Neighbourhood Decision Making Program; the Neighbourhood Small Events Fund; and the Athletic Travel Grants Program. This budget amendment outlines permanent reductions to the Neighbourhood Decision Making Program and the Neighbourhood Small Events Fund, and the elimination of the Athletic Travel Grants Program.

Operating Budget Amendment Case #P-8: Cost Driver

Parks Naturalization and Reduction in Tree Trimming (For Consideration)

Operating Budget Amendment (\$ Thousands)	2022	2023
Expenditure	-258	-258
Revenue	0	0
Annual Tax Levy Impact	-258	-258

Subject to rounding.

Description:

This budget amendment has been proposed to help alleviate tax levy pressures without significantly reducing service levels through reductions in the limits of grass cutting in parks and along select roadsides and reductions to proactive tree trimming.

Capital Budget Amendment Case #P-9: New Council Direction
 Urban Forestry - Continuation of the City's Invasive Plant Species Management Strategy
 (Recommended)

Invasive Species Management Strategy (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	375	375	750	375	1,125
Source of Financing: Urban Forestry Renewal Reserve Fund	0	0	-375	-375	-750	-375	-1,125
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

The City has a comprehensive Invasive Plant Species Management Strategy that has been actively addressing invasive plants across the City since 2018. This business case seeks additional funding to support these efforts for 2022 to 2024.

Capital Budget Amendment Case #P-10: Cost Driver
 Roadway Planning and Design - Realignment and Adjustment of Capital Growth Project Budgets
 (Recommended)

Sunningdale Road, Southdale Road, Wharnccliffe Road (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	4,074	5,117	9,191	4,241	13,432
Source of Financing: Capital Levy, Tax Supported Debt, City Services Roads (DC's) Reserve Fund	0	0	-4,074	-5,117	-9,191	-4,241	-13,432
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

These are large, complex projects that have and/or are progressing through planning and environmental assessment stages which have provided better information to inform the required budgets and their timing.

Capital Budget Amendment Case #P-11: Cost Driver

Garbage Collection and Disposal - Development of Long Term Disposal Capacity (Recommended)

Development of Long Term Disposal Capacity (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	1,720	0	1,720	8,610	10,330
Source of Financing: Solid Waste Renewal Reserve Fund, Canada Community-Building Fund	0	0	-1,720	0	-1,720	-8,610	-10,330
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

The estimated cost to construct the proposed expansion of the W12A Landfill site needs to be amended based on the final proposed expansion option identified in the Environmental Assessment process. It should be noted that the estimated total lifecycle cost to construct the proposed landfill expansion option is approximately \$8.1 million less than previously estimated, however the timing and amounts of funding required over the coming years have changed.

Capital Budget Amendment Case #P-12: Cost Driver

London Transit Commission - Zero-Emission Bus (ZEB) Implementation Strategy (Recommended)

Zero-Emission Bus (ZEB) Implementation Strategy (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	14,140	11,820	25,960	0	25,960
Source of Financing: Tax Supported Debt, Zero Emission Transit Fund	0	0	-14,140	-11,820	-25,960	0	-25,960
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

London Transit is planning to begin the transition to a zero-emission bus fleet. The initial implementation step calls for London Transit to procure 10 battery electric buses and 7 chargers (3 overhead and 4 plug-in). This project will also require facilities work to upgrade the grid connection, install the required charging equipment, and retrofit facilities to accommodate the zero-emission buses.

2023 Considerations

The upcoming 2023 Annual Budget Update will continue to provide opportunities to address emergent needs and flexibility to adjust the tax levy as required. As illustrated throughout the 2020-2023 Multi-Year Budget, amendments have been brought forward to address impacts from the COVID-19 pandemic and to introduce budget reduction opportunities to align required resources with service delivery needs.

Through the 2021 Annual Budget Update, the previously approved 2021 tax levy increase of 4.4% was reduced to 3.4%. After the 2021 Budget Update, the anticipated tax levy increase for 2022 was 3.8%. With the 2022 Annual Budget Update, if all budget amendments are approved, the tax levy increase for 2022 would be 2.8%. As illustrated through the 2021 and 2022 Budget Updates, Civic Administration remains committed to ensuring the efficiency and effectiveness of service delivery and will continue to utilize a variety of tools during 2022 to further look for efficiencies and opportunities to address the 2023 tax levy increase in preparation for the 2023 Annual Budget Update. In addition, other emerging developments for 2023 (e.g. implementation of producer pay responsibility for the recycling program) may provide further opportunities to reduce the planned tax levy increase.



Operating Summary

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

Operating Budget	2020 Tax Levy Revenue	2021 Tax Levy Revenue	2022 Tax Levy Revenue	2023 Tax Levy Revenue
Previously Approved % Increase From Rates ¹	4.4%	3.4%	3.8%	3.4%
Previously Approved Budget	642,901	673,581	699,372	723,382
Amendment ²			-7,087	-3,885
Amended Budget	642,901	673,581	692,284	719,498
Incremental Increase/ Decrease			-7,087	3,203
Amended % Increase From Rates	4.4%	3.4%	2.8%	3.9%

Subject to rounding.

Notes

1. Previously approved rates are recalculated taking into account assessment growth impact in each year of annual update of the Multi-Year Budget period.
2. Amendment reflects impacts of all budget amendments as applicable.

2020 to 2023 Annual Cost of Municipal Services – Average Residential Property

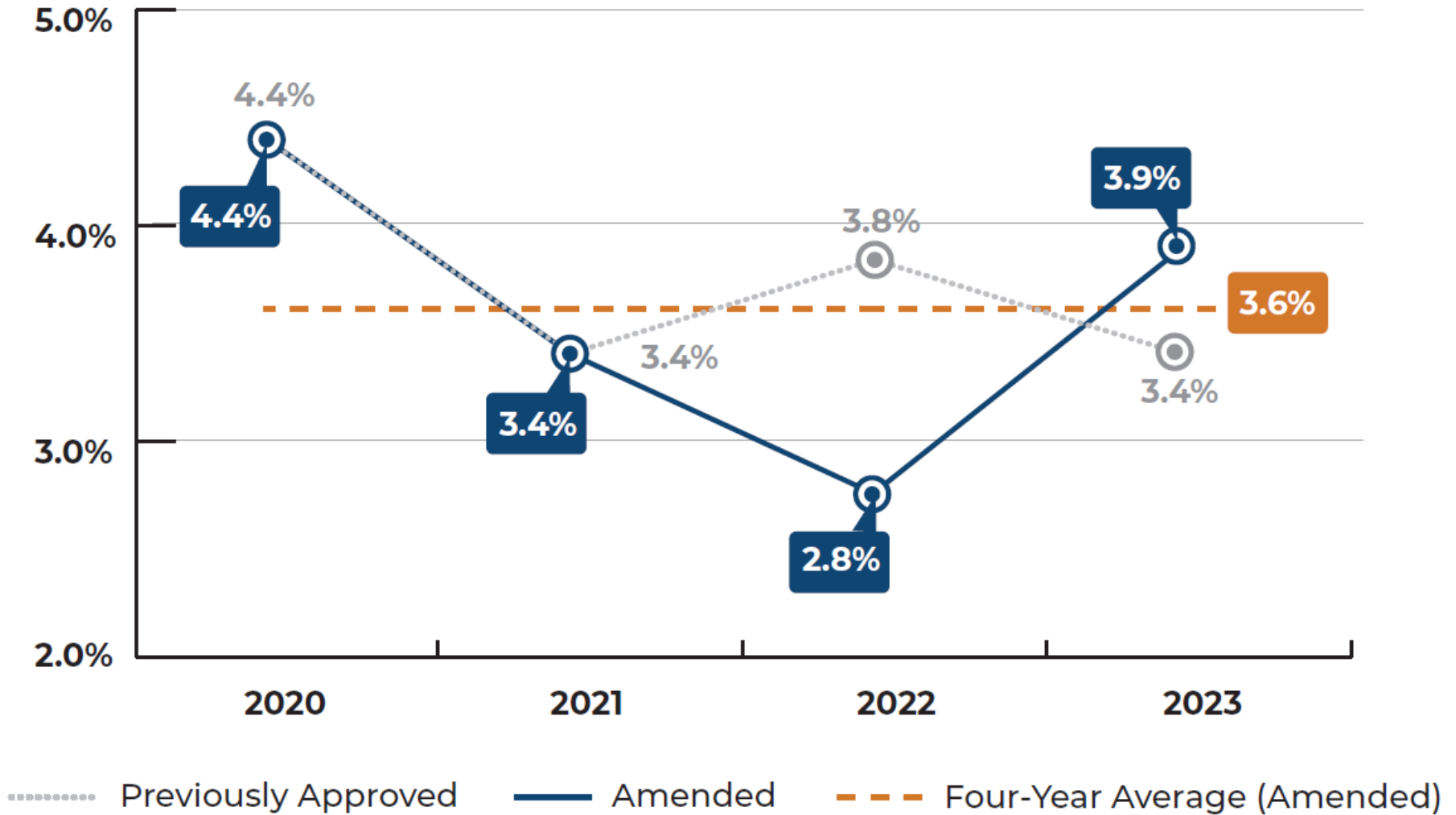
Operating Budget	2020	2021	2022	2023	2020 to 2023 Average
Previously Approved Annual Cost of Municipal Services	2,966	3,067	3,184	3,294	3,128
Impact from Amendments ²			-32	-18	-13
Amended Annual Cost of Municipal Services	2,966	3,067	3,152	3,276	3,115

Subject to rounding.

Notes

1. Calculated based on the average assessed value of \$241 thousand for a residential property (excludes education tax portion and impacts of tax policy).
2. Amendment reflects impacts of all budget amendments as applicable.

2020-2023 Multi-Year Budget Annual Tax Levy Increase



Note: Previously approved rates are recalculated taking into account assessment growth impact in each year of annual update of the Multi-Year Budget period.

Capital Summary

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

Capital Budget Summary (\$ Thousands)

Property Tax Support Capital Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	326,074	239,916	291,851	391,322	1,249,163	1,583,002	2,832,165
Total Amended Budget	326,074	239,916	312,069	408,284	1,286,343	1,594,127	2,880,471
Total Amended Budget Increase/Decrease	0	0	20,218	16,962	37,180	11,126	48,306
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Levy (CL)	0	0	-884	-78	-962	1,803	841
Debenture (D)	0	0	-7,184	-5,836	-13,020	0	-13,020
Reserve Fund (RF)	0	0	-375	2,905	2,530	-8,985	-6,455
Other (O)	0	0	0	0	0	0	0
Non-tax Supported (NTS)	0	0	-11,776	-13,952	-25,728	-3,944	-29,672
Total Source of Financing Increase/Decrease	0	0	-20,218	-16,962	-37,180	-11,126	-48,306
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Capital Budget by Classification (\$ Thousands)

Budget Classification	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Lifecycle Renewal Total Approved Budget	105,569	93,994	110,281	97,495	407,339	627,990	1,035,329
Lifecycle Renewal Total Amended Budget	105,569	93,994	109,981	97,195	406,739	626,190	1,032,929
Lifecycle Renewal Increase/Decrease	0	0	-300	-300	-600	-1,800	-2,400
Growth Total Budget	124,545	111,599	155,533	246,275	637,952	654,313	1,292,265
Growth Total Amended Budget	124,545	111,599	159,607	251,391	647,142	658,554	1,305,696
Growth Increase/Decrease	0	0	4,074	5,116	9,190	4,241	13,432
Service Improvement Total Budget	95,960	34,323	26,037	47,553	203,873	300,699	504,572
Service Improvement Total Amended Budget	95,960	34,323	42,482	59,698	232,463	309,384	541,847
Service Improvement Increase/Decrease	0	0	16,445	12,145	28,590	8,685	37,275
Total Amended Budget Increase/Decrease	0	0	20,218	16,962	37,180	11,126	48,306

Subject to rounding.

Lifecycle Renewal Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	105,569	93,994	110,281	97,495	407,339	627,990	1,035,329
Total Amended Budget	105,569	93,994	109,981	97,195	406,739	626,190	1,032,929
Total Amended Budget Increase/Decrease	0	0	-300	-300	-600	-1,800	-2,400
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Levy (CL)	0	0	300	300	600	1,800	2,400
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	0	0	0	0
Other (O)	0	0	0	0	0	0	0
Non-tax Supported (NTS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	300	300	600	1,800	2,400
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Growth Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	124,545	111,599	155,533	246,275	637,952	654,313	1,292,265
Total Amended Budget ¹	124,545	111,599	159,607	251,391	647,142	658,554	1,305,696
Total Amended Budget Increase/Decrease	0	0	4,074	5,116	9,190	4,241	13,432
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Levy (CL)	0	0	-1,234	-428	-1,662	-297	-1,959
Debenture (D)	0	0	16	74	90	0	90
Reserve Fund (RF)	0	0	0	0	0	0	0
Other (O)	0	0	0	0	0	0	0
Non-tax Supported (NTS)	0	0	-2,856	-4,762	-7,618	-3,944	-11,562
Total Source of Financing Increase/Decrease	0	0	-4,074	-5,116	-9,190	-4,241	-13,432
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Notes

1. Next steps for projects such as the Wonderland Road Widening were recently discussed at the August 31, 2021, Civic Works Committee, via the report titled “Outcome of Climate Lens Screening Applied to Major Transportation Projects”. Based on the approved recommendations from this report, the Multi-Year Growth Budget will be adjusted during the next appropriate cycle. Capital plan adjustments are not available for the 2022 Annual Budget Update.

2021 Development Charges Background Study Update

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

As a result, amended growth capital budgets are included the City’s growth capital plan. No further changes are recommended through the 2022 Annual Budget Update process.

The next comprehensive Development Charges Background Study is planned to be completed in 2024; taking effect on January 1, 2025.

Service Improvement Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	95,960	34,323	26,037	47,553	203,873	300,699	504,572
Total Amended Budget	95,960	34,323	42,482	59,698	232,463	309,384	541,847
Total Amended Budget Increase/Decrease	0	0	16,445	12,145	28,590	8,685	37,275
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Levy (CL)	0	0	50	50	100	300	400
Debenture (D)	0	0	-7,200	-5,910	-13,110	0	-13,110
Reserve Fund (RF)	0	0	-375	2,905	2,530	-8,985	-6,455
Other (O)	0	0	0	0	0	0	0
Non-tax Supported (NTS)	0	0	-8,920	-9,190	-18,110	0	-18,110
Total Source of Financing Increase/Decrease	0	0	-16,445	-12,145	-28,590	-8,685	-37,275
Tax Levy Impact	0	0	0	0	0	0	0

Subject to rounding.

Capital Plan: Infrastructure Funding Updates

Investing in Canada Infrastructure Program (ICIP) - Public Transit Stream

The City of London was approved for ten transit related projects under this program for a total project cost of \$375 million, with \$103.1 million from the Government of Ontario, \$123.8 million from the Government of Canada and the balance of funding, approximately \$148 million, coming from municipal and other sources. Construction on some Public Transit Stream funded projects started in 2020, with most projects continuing or starting construction in 2021. This funding program allowed the three Rapid Transit projects to proceed and enabled other capital projects in the capital plan to advance with a greater scope and impact.

Investing in Canada Infrastructure Program (ICIP) - Community, Culture and Recreation Infrastructure Stream

This stream supports community infrastructure priorities. The City of London was approved for two projects under this stream. Labatt Park received \$2.0 million for the installation of accessible washrooms, repair and replacement of bleachers, and replacement of sport lighting, with project completion scheduled for April 2023. Carling Heights Optimist Community Centre (CHOCC) received \$1.9 million for a teaching kitchen space, installation of an elevator, and other building renewal components, with project completion scheduled for March 2024. These projects likely would not have proceeded in the near future without this funding.

Investing in Canada Infrastructure Program (ICIP) - COVID-19 Community Resilience Stream

In August 2020, the Federal Government announced this program to help with social and economic recovery from the health and economic crisis brought on by COVID-19. London was approved for two categories of projects. Active Transportation, including new cycling facilities, boulevard bicycle path improvements and downtown sidewalk improvements, received \$3.75 million, and Recreation Facilities, including HVAC rehabilitation at the Carling and Stronach arenas and the Boyle Community Centre, received \$1.75 million. Projects are scheduled to be mostly complete by Fall 2022 with some work continuing through 2023. This funding allowed projects that were in the capital plan to be completed much sooner than planned and with a broader scope.

Green and Inclusive Community Buildings Program (GICB)

In December 2020, the federal government recognized that municipal and community buildings play a role in Canada's climate response and allocated \$1.5 billion for retrofits, repairs or upgrades of existing buildings and the construction of new public buildings. In July and August 2021, the City of London submitted three applications under this program: New Southeast Community Centre and Library (\$25 million requested); Nichols Arena Deep Energy Retrofit (\$2.4 million requested); and, Kinsmen Arena Deep Energy Retrofit (\$2.2 million requested). The federal government is still reviewing all applications under this program. GICB funding would allow the new community centre to be built to a much higher standard of energy efficiency and accessibility. The two retrofit projects would expedite significant energy saving initiatives that were previously scheduled over a longer period of time due to funding constraints.

Canada Community Revitalization Fund (CCRF)

In June 2021, the Federal Government announced the Canada Community Revitalization Fund (CCRF), a \$500 million program to build and improve community infrastructure projects to help communities rebound from the effects of the COVID-19 pandemic. The Federal Economic Development Agency (FedDev) for Southern Ontario is currently reviewing two applications from the City of London, enhancements to the village green in Hyde Park and upgrades to the parkette adjacent to RBC Place along King Street, for a total of \$1.1 million. CCRF funding would allow these projects to proceed in the near future, much sooner than planned, providing an immediate benefit for the community recovering from COVID-19.

Other New Funding Programs

The Tourism Relief Fund (TRF), a national investment of \$500 million over two years, supports tourism businesses and organizations to adapt their operations to meet public health requirements while investing in products and services to facilitate their future growth. The Community Building Fund invests in the arts and culture, heritage, tourism, sport and recreation sectors to support Ontario's recovery. Civic Administration is working through applications for both programs. Funding from these programs would greatly benefit the tourism, culture and recreation sectors in London that are still struggling to recover from COVID-19.



Water Budget

2022 Annual Budget Update

On November 26, 2019 Council approved a 2.5% increase in the rate and charges related to the provision of Water Services effective January 1, 2020. Further, on October 27, 2020, Council approved additional increases of 2.5% effective on January 1, each year for 2021, 2022, and 2023.

For 2022, there are two recommended capital budget amendments for Water Services. Both budget amendments are related to schedule changes with no net increase to the overall capital plan; these amendments are detailed in the Budget Amendments section of this document (2022 Annual Budget Update Amendment Cases). There are also various pressures on the capital plan that Civic Administration is monitoring. They include new framework under the Ministry of Environment, Conservation and Parks (MECP) for the excavation, removal and transport of “excess soils” between two or more sites, a major reservoir replacement, and the addition of growth-related infrastructure to provide adequate servicing and ensuring the supply of water into the City is protected.

The new framework under MECP Regulation (406/19) will apply to most construction projects that generate "excess soil." There is some uncertainty to what extent the costs of Water capital projects will be impacted. As a result, the City should anticipate potential pressures on the Water capital plan. City staff are working with the heavy construction industry to understand the potential impact of these changes on costs moving forward. In addition, City staff are working with the engineering consulting community to promote the reuse of soils during capital projects.

Another major budget pressure is the need to replace one of London’s major reservoirs. The Springbank Reservoir No. 2 is nearing the end of its useful life and the detailed design for a future replacement and expansion of the reservoir is currently underway and the budget for the reconstruction of this reservoir was included in the Multi-Year Budget in 2023. The new reservoir will ensure that if the City loses one of its water supplies (Lake Huron or Lake Erie), that water would be available in storage that would meet at least 48 hours of the City's needs. This additional storage will satisfy the City's drinking water storage needs through 2044. Due to the project timing and the timing of the 2020 to 2023 Multi-Year Budget, the budget was established on the basis of the Environmental Assessment estimates before any design had begun. Estimates at this early stage are considered conceptual and are accurate to approximately above or below 25%. Risks to the accuracy include the inherent margin of error in conceptual estimates, design or construction constraints not yet known at that early stage, and any difference between actual and estimated inflation for the specific materials and labour used.

The Arva-Huron Pipeline is the most critical supply of water into the City of London, supplying approximately 85% of water used by all customers. The alignment of this pipeline, which was mostly built in the 1960s, has portions on private property in residential backyards as well as sensitive natural features. Due to the sensitivity and scale of this pipeline, an environmental assessment was completed to identify short-term and long-term action items to manage this pipeline. The short-term recommendation includes an asset management

strategy consisting of maintenance, monitoring, and upgrading tasks. There is sufficient funding within the current Multi-Year Budget to complete this work over the budget period. Ongoing funding for monitoring and maintenance will be included in future multi-year budget submissions. The long-term recommendation, which addresses the eventual replacement of this infrastructure, includes the installation of a new single or twinned water transmission main(s) in a different alignment. This work will be incorporated in the 20-year capital plan and included in future multi-year budget submissions.

Lastly, Ontario Regulation 453/07 under the Safe Drinking Water Act, 2002 mandates the preparation of a Financial Plan as part of the Municipal Drinking Water License program. This regulation was designed by the Ministry of the Environment in response to Justice Dennis O'Connor's Walkerton Inquiry recommendations. The intent is to ensure that municipalities plan for long-term financial stability of their drinking water systems. The Financial Plan must be updated prior to the renewal of a municipal drinking water license every 5 years. London's Water Financial Plan was updated most recently in May 2020 and can be found on the City's website by visiting: [The City of London's Water Financial Plan](#) or <https://london.ca/living-london/water-environment/water-system> under Annual and Summary Reports.

COVID-19 Pandemic Impacts

There remains considerable uncertainty with respect to future financial and operational consequences of COVID-19, particularly in the event of the emergence and degree of a future wave(s). Civic Administration will continue to actively assess these impacts and their corresponding financial implications after budget approval and will continue to report to Council with any further adjustments as needed.

Budget Amendment Overview

Budget Amendments

There are two budget amendments being recommended by Civic Administration related to the Water capital budget. There will be no impact on Water rates, should Municipal Council choose to approve both of the recommended budget amendments.

A summary of submitted budget amendments are listed below. For further details, please refer to the 2022 Annual Budget Update Amendment Cases.

Budget Amendment Case #W-1: Cost Driver

Schedule Changes for Water Lifecycle Renewal Projects

Schedule Changes for Water Lifecycle Renewal Projects (\$ Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	-1,206	1,206	0	0	0
Source of Financing: Canada Community-Building Fund (Formerly Federal Gas Tax) and Capital Rates	0	0	1,206	-1,206	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

A schedule change to defer the projects in this amendment is needed to align works with the timing of the Transportation Sunningdale Road Widening project. The budgets for these projects are proposed to be deferred from 2022 to 2023, to align them with the timing of the Transportation project scheduled for construction in 2023. Aligning the timing of different infrastructure needs in a location is to the financial advantage to the City as the restoration costs are shared. It is also socially advantageous for the public, as it causes less construction disruption with lane and road closures.

Budget Amendment Case #W-2: Cost Driver

Schedule Changes for Water Growth Projects

Schedule Changes for Water Growth Projects (\$Thousands)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	-7,614	7,614	0	0	0
Source of Financing: Water Works Renewal and City Services Water Reserve Fund	0	0	7,614	-7,614	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding

Description:

The need, scope, and timing of the projects in this budget amendment are under review as part of a servicing study that is expected to be completed in 2022. This amendment will allow the study to confirm if growth projects and their current scopes are appropriate, in the City's best interests, and that the timing aligns with the projected needs for future residential, institutional, commercial, and industrial growth. Constructing these works without the information from the study would risk limited funds being spent on projects that may not

be required. It should be noted that while these are growth projects, they are intended to address impacts of growth to the wider water network, and as such, no developments will be delayed by deferring these projects.

Operating Summary

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

Water	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Average Annual % Increase/ Decrease
Water Rate Increase	2.5%	2.5%	2.5%	2.5%	2.5%
Water Budget Revenues	84,739	87,488	90,530	93,695	
Increase over Prior Year Budget	4,843	2,750	3,041	3,166	
Increase over Prior Year Budget (%)	6.1%	3.2%	3.5%	3.5%	4.1%

Subject to rounding.

Operating Expenditure Budget by Service (\$ Thousands)

Water	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	Total 2020 to 2023 Budget
Water Engineering	2,620	2,712	2,757	2,771	10,860
Water Operations	14,203	14,473	14,585	14,721	57,981
Purchase of Water	27,188	28,257	29,363	30,504	115,312
Water General Administration	40,728	42,046	43,825	45,700	172,299
Total Water	84,739	87,488	90,530	93,695	356,452

Subject to rounding.

Capital Summary and Ten Year Capital Plan

Capital Budget Summary (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	45,705	39,727	43,474	75,687	204,594	278,507	483,100
Total Amended Budget	45,705	39,727	34,654	84,508	204,594	278,507	483,100
Total Amended Budget Increase/Decrease	0	0	-8,820	8,820	0	0	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	2,091	-524	1,567	0	1,567
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	-1,567	-1,567	0	-1,567
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	6,730	-6,730	0	0	0
Total Source of Financing Increase/Decrease	0	0	8,820	-8,820	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Note: Approved figures include housekeeping adjustments and changes made by the 2021 Development Charges Update.

Capital Budget by Classification (\$ Thousands)

Budget Classification	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Lifecycle Renewal Total Approved Budget	36,952	32,662	30,145	67,491	167,250	214,992	382,243
Lifecycle Renewal Total Amended Budget	36,952	32,662	28,939	68,697	167,250	214,992	382,243
Lifecycle Renewal Increase/Decrease	0	0	-1,206	1,206	0	0	0
Growth Total Approved Budget	7,983	6,808	12,396	7,767	34,954	60,977	95,932
Growth Total Amended Budget	7,983	6,808	4,782	15,381	34,954	60,977	95,932
Growth Increase/Decrease	0	0	-7,614	7,614	0	0	0
Service Improvement Total Approved Budget	770	256	933	429	2,389	2,537	4,926
Service Improvement Total Amended Budget	770	256	933	429	2,389	2,537	4,926
Service Improvement Increase/Decrease	0	0	0	0	0	0	0
Total Amended Budget Increase/Decrease	0	0	-8,820	8,820	0	0	0

Subject to rounding.

Lifecycle Renewal Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	36,952	32,662	30,145	67,491	167,250	214,992	382,243
Total Amended Budget	36,952	32,662	28,939	68,697	167,250	214,992	382,243
Total Amended Budget Increase/Decrease	0	0	-1,206	1,206	0	0	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	524	-524	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	0	0	0	0
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	682	-682	0	0	0
Total Source of Financing Increase/Decrease	0	0	1,206	-1,206	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Growth Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	7,983	6,808	12,396	7,767	34,954	60,977	95,932
Total Amended Budget	7,983	6,808	4,782	15,381	34,954	60,977	95,932
Total Amended Budget Increase/Decrease	0	0	-7,614	7,614	0	0	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	1,567	0	1,567	0	1,567
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	-1,567	-1,567	0	-1,567
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	6,048	-6,048	0	0	0
Total Source of Financing Increase/Decrease	0	0	7,614	-7,614	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

2021 Development Charges Background Study Update

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

The next comprehensive Development Charges Background Study is planned to be completed in 2024; taking effect on January 1, 2025.

Service Improvement Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	770	256	933	429	2,389	2,537	4,926
Total Amended Budget	770	256	933	429	2,389	2,537	4,926
Total Amended Budget Increase/Decrease	0	0	0	0	0	0	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	0	0	0	0
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	0	0	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

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

Source of Financing	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Amended Budget Total	2021 to 2023 Amended Budget Increase/Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/Decrease	2020 to 2029 Amended Ten Year Plan
Capital Rate	23,631	22,201	21,964	22,623	90,419	0	148,123	0	238,542
Debt	0	0	0	0	0	0	0	0	0
Reserve Fund	13,552	11,736	7,821	46,598	79,707	0	66,320	0	146,027
Other	0	0	0	0	0	0	0	0	0
Sub-Total Rate Supported	37,183	33,937	29,785	69,221	170,126	0	214,442	0	384,568
Debt	0	0	0	0	0	0	17,254	0	17,254
Reserve Fund	7,134	4,316	4,125	13,180	28,755	0	38,261	0	67,016
Canada Community-Building Fund (Formerly Federal Gas Tax)	1,501	1,425	743	2,107	5,776	0	8,550	0	14,326
Federal Grants	0	0	0	0	0	0	0	0	0
Provincial Grants	0	0	0	0	0	0	0	0	0
Other Government	0	0	0	0	0	0	0	0	0
Other ¹	-113	49	0	0	-64	0	0	0	-64
Sub-Total Non-Rate Supported	8,523	5,790	4,869	15,287	34,467	0	64,064	0	98,532
Total Source of Financing	45,705	39,727	34,654	84,508	204,594	0	278,507	0	483,100

Subject to rounding.

Note 1. The 2020 "Other" non-rate supported source of financing budget is negative due to housekeeping budget adjustments to life-to-date capital projects that occurred in 2020 for lower than anticipated insurance proceeds and utility contributions.

2030 and 2031 Capital Budget Overview by Classification (\$ Thousands)

Classification	2030 Forecast	2031 Forecast	2022 to 2031 Amended Ten Year Plan
Lifecycle Renewal	32,501	36,442	381,571
Growth	17,294	2,749	101,183
Service Improvement	558	325	4,782
Total Expenditures	50,353	39,515	487,536

Subject to rounding.

Source of Financing	2030 Forecast	2031 Forecast	2022 to 2031 Amended Ten Year Plan
Capital Rate	26,866	27,403	246,978
Debt	0	0	0
Reserve Fund	5,560	9,327	135,626
Other	0	0	0
Sub-Total Rate Supported	32,425	36,730	382,604
Debt	11,645	0	28,898
Reserve Fund	4,858	1,360	61,784
Canada Community-Building Fund (Formerly Federal Gas Tax)	1,425	1,425	14,250
Federal Grants	0	0	0
Provincial Grants	0	0	0
Other Government	0	0	0
Other	0	0	0
Sub-Total Non-Rate Supported	17,927	2,785	104,932
Total Source of Financing	50,353	39,515	487,536

Subject to rounding.

2030 and 2031 Major Capital Projects by Classification (\$ Thousands)

Classification	Project	2030 Forecast	2031 Forecast
Lifecycle Renewal	Infrastructure Renewal Program - Watermains	22,184	22,869
Lifecycle Renewal	Residential Meter Replacement	2,789	2,856
Lifecycle Renewal	Lead and Copper Water Services Replacement	1,901	1,947
Lifecycle Renewal	Watermain Replacement - Commissioners Rd	328	3,344
Lifecycle Renewal	Watermain Rehabilitation and Relining	1,268	1,298
Growth	Watermain Industrial Servicing	15,645	0
Growth	Wonderland Rd Watermain - Oxford to Riverside	1,298	0
Growth	Wonderland Rd Watermain - Beaverbrook to Oxford	121	1,116
Service Improvement	Extension of Water Servicing	254	260

Subject to rounding.

Water Reserve and Reserve Fund Overview

Reserve and Reserve Fund Classification Descriptions

Classification	Type	Description
Obligatory	City Services	City Services reserve funds are legislated by the Development Charges (DC) Act, 1997, as amended; a separate reserve fund exists for each service upon which a DC is levied; contributions fund future growth-related projects.
Obligatory	Canada Community-Building Fund (Formerly Federal Gas Tax)	Canada Community-Build Fund (Federal Gas Tax) Reserve Fund is maintained under the Agreement for Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities between Canada-Ontario-AMO-City of Toronto made as of June 17, 2005.
Discretionary	Capital Asset Renewal and Replacement	Established to provide funding for the repair and maintenance of existing City assets to ensure City-owned assets do not deteriorate over time.
Discretionary	Capital Asset Growth	Established to provide funding to new capital initiatives while allowing the City to stabilize the cost of purchasing major capital assets by spreading the cost over multiple years.
Discretionary	Special Projects and New Initiatives	Planned savings within the budget to fund projects or expenses either identified at the time the reserve or reserve fund is set-up or after, which allows the City to save for planned or unanticipated projects or expenses that may arise and do not have another funding source.
Discretionary	Contingencies/Stabilization and Risk Management	Designed to fund future obligations which are based on calculated estimates and to mitigate unforeseen events or one-time unanticipated revenue losses and expenses.

Reserve and Reserve Fund Details (\$ Thousands)

Type	Reserve or Reserve Fund	2020 Uncommitted ²	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Capital Asset Renewal and Replacement	Water Works Renewal	43,219	50,342	58,145	27,989	63,766
City Services	City Services - Water Distribution	16,390	18,005	19,067	11,160	2,834
Capital Asset Growth	Industrial DC Incentive Program Water	5,679	5,414	5,147	4,877	3,199
Special Projects and New Initiatives	Lead Service Replacement Program	113	118	118	118	115
Special Projects and New Initiatives	Water Customer Assistance	446	451	455	460	488
Special Projects and New Initiatives	Water Efficiency, Effectiveness and Economy Reserve ¹	1,942	2,214	2,334	2,453	3,170
Contingencies / Stabilization and Risk Management	Water Budget Contingency Reserve	9,695	9,695	9,695	9,695	9,695
Total	Water Reserves and Reserve Funds	77,484	86,240	94,961	56,751	83,267

Subject to rounding.

Notes

1. Water Efficiency, Effectiveness and Economy Reserve balances are increasing because they do not factor in draws until approved by Council.
2. The 2020 Uncommitted balances include updates for the 2020 Year End financial processes, e.g. surplus contributions, that were not available at the time the 2021 Annual Budget Update Document was drafted.

Wastewater and Treatment Budget

2022 Annual Budget Update

On November 26, 2019 Council approved a 2.5% increase in the rates and charges related to the provision of Wastewater and Treatment Services effective January 1, 2020. Further, on October 27, 2020, Council approved additional increases of 2.5% effective on January 1, 2021, 2.7% effective July 1, 2021, 2.5% effective January 1, 2022, and 2.5% effective January 1, 2023.

For 2022, there is one budget amendment being recommended for Wastewater and Treatment Services, impacting the operating and capital budgets. This budget amendment has no net impact on the operating budget, and an increase to the capital budget, with no impact to Wastewater and Treatment rates; it is detailed in the Budget Amendments section of this document (2022 Annual Budget Update Amendment Cases). There are also various pressures that Civic Administration is monitoring. They include new framework under the Ministry of Environment, Conservation and Parks (MECP) for the excavation, removal and transport of “excess soils” between two or more sites, funding needs to address the infrastructure gap, work required as part of the Canada-Ontario Lake Erie Action Plan, reducing sewer system overflows and eliminating combined sewers, and providing service for growth either in new areas or intensification of existing neighbourhoods. The following paragraphs discuss these pressures in more detail.

The new framework under MECP Regulation (406/19) will apply to most construction projects that generate "excess soil." There is some uncertainty to what extent the costs of Wastewater and Treatment capital projects will be impacted. As a result, the City should anticipate potential pressures on the Wastewater capital plan. City staff are working with the heavy construction industry to understand the potential impact of these changes on costs moving forward. In addition, City staff are working with the engineering consulting community to promote the reuse of soils during capital projects.

The 2021 Corporate Asset Management Plan Update was the culmination of efforts from staff across the City who are involved with managing municipal infrastructure assets, including finance and technical service areas and operations staff. The 2021 plan update projected a 10-year infrastructure gap for the sanitary system of \$11.9 million (net of forecasted reserve fund drawdown availability over the next decade). Staff will continue to monitor the Wastewater and Treatment infrastructure gap including undertaking study work to provide higher quality information to better quantify the Wastewater and Treatment infrastructure gap moving forward. The Corporate Asset Management Plan recommended relying on the existing 20-year capital plans and their updates as a means to manage infrastructure gap in Wastewater and Treatment services.

The Great Lakes Water Quality Agreement requires the United States and Canada to reduce phosphorus levels that contribute to algae blooms in Lake Erie by 40% based on levels measured in 2008 with the Thames River Watershed identified as a priority. The final Canada-Ontario Lake Erie Action Plan was issued by the Federal government in February 2018. The plan includes a series of specific actions to be undertaken by the City of London that were endorsed by Council in late 2017. The City's ability to support these actions has been tied to receiving partial federal and provincial funding. To date, there has been no new funding provided to support the City of London actions. If and when additional funding becomes available, City staff will actively pursue this funding.

Flood proofing of several of the City's wastewater treatment plants and flood control dykes have been identified in the previous 2015-2019 corporate strategic plan. It was anticipated that funding would be available as part of the Federal/Provincial infrastructure program. The City of London was successful in securing \$19.8M in federal funding to support the Adelaide and Greenway Wastewater Treatment Plant Flood Protection Project. There are still several remaining wastewater infrastructure projects that require federal/provincial funding. If the federal/provincial program is canceled, a strategy for addressing this need will need to be established as part of a future budget update process.

COVID-19 Pandemic Impacts

During the approval of the 2020 to 2023 Wastewater and Treatment budget, Council approved Business Case #34 titled, "Transfer portion of Conservation Authority costs to Wastewater and Treatment Budget". An analysis of each of the Conservation Authorities' budgets was undertaken to determine the portion of the budget that related to stormwater-related activities. Based on this analysis it was estimated that approximately 60% (or a 2020 to 2023 average of \$2.89 million) of the Conservation Authorities' levies would be better aligned with the users subject to Wastewater and Treatment rates. The intention was to implement this shift through a further 3.5% increase in Wastewater and Treatment rates as of April 1, 2020. However, due to the onset of the COVID-19 pandemic and associated financial challenges experienced by many households and businesses, this additional rate increase was deferred. The 2021 Wastewater and Treatment rates included a phase-in approach, with the rate increase associated with the transfer of the Conservation Authorities' costs implemented through an additional 2.7% rate increase which took effect July 1, 2021. Accordingly, Civic Administration utilized a portion of the Safe Restart Agreement funding provided by the Federal and Provincial governments to offset the lost revenue for January to June 2021 associated with the delay in implementing this rate increase.

There remains considerable uncertainty with respect to future financial and operational consequences of COVID-19, particularly in the event of the emergence and degree of a future wave(s). Civic Administration will continue to actively assess these impacts and their corresponding financial implications after budget approval and will continue to report to Council with any further adjustments, as needed.

Budget Amendment Overview

Budget Amendments

There is one budget amendment being recommended by Civic Administration related to Wastewater and Treatment, which impacts the operating and capital budgets. There will be no impact on Wastewater rates, should Municipal Council choose to approve the recommended budget amendment.

A summary of the submitted budget amendment is listed below. For further details, please refer to the 2022 Annual Budget Update Amendment Cases.

Budget Amendment Case #WWT-1: Cost Driver

Part A: Reduce Energy Budget at Greenway Wastewater Treatment Plant

Operating Budget Table (\$ Thousands)

Wastewater Treatment Operations Energy Costs	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget	\$3,120	\$3,035	\$3,066	\$3,081	\$12,302	\$19,824
Amendment	N/A	N/A	-\$700	-\$717	-\$1,417	-\$4,679
Amended Net Budget	\$3,120	\$3,035	\$2,366	\$2,364	\$10,885	\$15,145

Subject to rounding.

Operating Budget Table (\$ Thousands)

Wastewater Treatment Operations Reserve Fund Transfer	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget	\$27,919	\$30,379	\$35,779	\$39,046	\$133,123	\$251,233
Amendment	N/A	N/A	\$700	\$717	\$1,417	\$4,679
Amended Net Budget	\$27,919	\$30,379	\$36,479	\$39,763	\$134,540	\$255,912

Subject to rounding.

Description:

Civic Administration undertook zero-based reviews to determine where there was strong potential for operational savings based on prior years' results. As part of this review, Wastewater Treatment Operations identified significant savings in energy costs over the past few years. These savings are a result of various initiatives taken at Greenway Wastewater Treatment Plant (Greenway), which have created significant reductions in electrical consumption, and accordingly, savings in energy costs. As a result, it is being recommended to bring forward a budget amendment to reduce the energy budget at Greenway and use the savings to fund priority capital works. This would be a permanent reduction to the energy budget and would be offset by an increase to the contribution to the reserve fund to finance recommended capital works.

Part B: Create Dedicated Program for Sewage Bypass and Overflow Elimination

Sewage Bypass and Overflow Elimination	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Expenditure Budget Amendments	0	0	700	717	1,417	4,679	6,096
Source of Financing: Sewage Works Renewal Reserve Fund.	0	0	-700	-717	-1,417	-4,679	-6,096
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Description:

Part B of this amendment is being recommended to use the permanent reduction to the Wastewater Treatment Operations energy budget as outlined in Part A, to develop a new capital program. It will fund small to medium size standalone projects, as well as bypass and overflow elimination components of larger wastewater projects. This program is essential, as the reduction of overflows and bypasses from the City of London's (City) wastewater facilities has been identified as a corporate priority. This priority is reflected in Strategic Plan 2019 to 2023 targets related to the reduction in raw sewage overflows experienced, as well as an increase in the ability to treat wet weather flows. Projects funded by the proposed Sewage Bypass and Overflow Elimination capital program would contribute directly to these targets.

Operating Summary

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

Wastewater and Treatment	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Average Annual % Increase/ Decrease
Wastewater and Treatment Rate Increase (Previously Approved ¹)	2.5%	5.2%	2.5%	2.5%	3.2%
Wastewater and Treatment Revenue Budget	106,500	109,937	113,668	117,544	
Increase over Prior Year Budget	8,318	3,437	3,731	3,876	
Increase over Prior Year Budget (%)	8.5%	3.2%	3.4%	3.4%	4.6%

Subject to rounding.

Note 1. Timing of rate implementation was deferred from 2020 to 2021 as a result of the COVID-19 pandemic.

Operating Expenditure Budget by Service (\$ Thousands)

Wastewater and Treatment	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	Total 2020 to 2023 Budget
Sewer Engineering	2,314	2,388	2,426	2,429	9,556
Stormwater Management	1,514	1,566	1,586	1,586	6,251
Sewer Operations	9,728	9,900	10,037	10,184	39,850
Wastewater and Treatment Operations	21,383	21,520	21,722	21,873	86,498
Wastewater and Treatment General Administration	68,773	71,710	74,976	78,480	293,940
Wastewater Share of Conservation Authority Costs	2,788	2,854	2,921	2,991	11,554
Total Wastewater and Treatment	106,500	109,937	113,668	117,544	447,650

Subject to rounding.

Capital Summary and Ten Year Capital Plan

Capital Budget Summary (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	85,787	91,921	98,173	95,451	371,331	601,872	973,203
Total Amended Budget	85,787	91,921	98,873	96,168	372,749	606,551	979,299
Total Amended Budget Increase/Decrease	0	0	700	717	1,417	4,679	6,096
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	-700	-717	-1,417	-4,679	-6,096
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	-700	-717	-1,417	-4,679	-6,096
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Note: Approved figures include housekeeping adjustments and changes made by the 2021 Development Charges Update.

Capital Budget by Classification (\$ Thousands)

Budget Classification	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Lifecycle Renewal Total Approved Budget	40,983	39,429	38,916	42,620	161,948	333,010	494,959
Lifecycle Renewal Total Amended Budget	40,983	39,429	38,916	42,620	161,948	333,010	494,959
Lifecycle Renewal Increase/Decrease	0	0	0	0	0	0	0
Growth Total Approved Budget	28,429	31,954	44,469	34,826	139,678	191,644	331,323
Growth Total Amended Budget	28,429	31,954	44,469	34,826	139,678	191,644	331,323
Growth Increase/Decrease	0	0	0	0	0	0	0
Service Improvement Total Approved Budget	16,375	20,538	14,788	18,005	69,705	77,217	146,922
Service Improvement Total Amended Budget	16,375	20,538	15,488	18,722	71,122	81,896	153,018
Service Improvement Increase/Decrease	0	0	700	717	1,417	4,679	6,096
Total Amended Budget Increase/Decrease	0	0	700	717	1,417	4,679	6,096

Subject to rounding.

Lifecycle Renewal Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	40,983	39,429	38,916	42,620	161,948	333,010	494,959
Total Amended Budget	40,983	39,429	38,916	42,620	161,948	333,010	494,959
Total Amended Budget Increase/Decrease	0	0	0	0	0	0	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	0	0	0	0
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	0	0	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

Growth Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	28,429	31,954	44,469	34,826	139,678	191,644	331,323
Total Amended Budget	28,429	31,954	44,469	34,826	139,678	191,644	331,323
Total Amended Budget Increase/Decrease	0	0	0	0	0	0	0
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	0	0	0	0	0
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	0	0	0	0	0
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

2021 Development Charges Background Study Update

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

The next comprehensive Development Charges Background Study is planned to be completed in 2024; taking effect on January 1, 2025.

Service Improvement Capital Budget (\$ Thousands)

Budget	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Forecast	2020 to 2029 Ten Year Plan
Total Approved Budget	16,375	20,538	14,788	18,005	69,704	77,217	146,922
Total Amended Budget	16,375	20,538	15,488	18,722	71,122	81,896	153,018
Total Amended Budget Increase/Decrease	0	0	700	717	1,417	4,679	6,096
Source of Financing	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Capital Rate (CR)	0	0	0	0	0	0	0
Debenture (D)	0	0	0	0	0	0	0
Reserve Fund (RF)	0	0	-700	-717	-1,417	-4,679	-6,096
Other (O)	0	0	0	0	0	0	0
Non-rate Supported (NRS)	0	0	0	0	0	0	0
Total Source of Financing Increase/Decrease	0	0	-700	-717	-1,417	-4,679	-6,096
Rate Impact	0	0	0	0	0	0	0

Subject to rounding.

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

Source of Financing	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Amended Budget Total	2021 to 2023 Amended Budget Increase/Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/Decrease	2020 to 2029 Amended Ten Year Plan
Capital Rate	21,613	22,503	22,346	23,017	89,479	0	150,703	0	240,182
Debt	0	0	0	0	0	0	51,281	0	51,281
Reserve Fund	31,936	43,171	31,789	41,907	148,804	1,417	224,025	4,679	372,828
Other	0	0	0	0	0	0	0	0	0
Sub-Total Rate Supported	53,549	65,674	54,135	64,924	238,282	1,417	426,009	4,679	664,291
Debt	7,601	-868	22,982	10,121	39,836	0	78,005	0	117,841
Reserve Fund	19,555	22,024	17,045	16,413	75,037	0	74,277	0	149,314
Canada Community-Building Fund (Formerly Federal Gas Tax)	4,651	4,500	4,500	4,500	18,151	0	27,000	0	45,151
Federal Grants	0	124	0	0	124	0	0	0	124
Provincial Grants	60	60	60	60	240	0	360	0	600
Other Government	0	0	0	0	0	0	0	0	0
Other	371	407	150	150	1,078	0	900	0	1,978
Sub-Total Non-Rate Supported	32,238	26,247	44,738	31,244	134,467	0	180,541	0	315,008
Total Source of Financing	85,787	91,921	98,873	96,168	372,749	1,417	606,551	4,679	979,299

Subject to rounding.

Note: Approved figures include housekeeping adjustments and changes made by the 2021 Development Charges Update.

2030 and 2031 Capital Budget Overview by Classification (\$ Thousands)

Classification	2030 Forecast	2031 Forecast	2022 to 2031 Amended Ten Year Plan
Lifecycle Renewal	62,775	48,793	526,114
Growth	28,828	10,022	309,789
Service Improvement	12,241	10,327	138,673
Total Expenditures	103,843	69,142	974,577

Subject to rounding.

Source of Financing	2030 Forecast	2031 Forecast	2022 to 2031 Amended Ten Year Plan
Capital Rate	27,334	27,885	251,284
Debt	7,606	7,788	66,676
Reserve Fund	37,156	20,570	355,447
Other	0	0	0
Sub-Total Rate Supported	72,095	56,243	673,407
Debt	16,843	0	127,951
Reserve Fund	10,195	8,189	126,119
Canada Community-Building Fund (Formerly Federal Gas Tax)	4,500	4,500	45,000
Federal Grants	0	0	0
Provincial Grants	60	60	600
Other Government	0	0	0
Other	150	150	1,500
Sub-Total Non-Rate Supported	31,748	12,899	301,170
Total Source of Financing	103,843	69,142	974,577

Subject to rounding.

2030 and 2031 Major Capital Projects by Classification (\$ Thousands)

Classification	Project	2030 Forecast	2031 Forecast
Lifecycle Renewal	Infrastructure Renewal Program - Sanitary Sewers	21,924	16,538
Lifecycle Renewal	Infrastructure Renewal Program - Stormwater Sewers	21,434	13,438
Lifecycle Renewal	Sewer Relining	6,338	6,490
Lifecycle Renewal	Stormwater Treatment Remediation	3,549	3,245
Lifecycle Renewal	Waterways Restoration	2,535	2,596
Growth	Industrial Wastewater Servicing	8,290	0
Growth	Industrial Storm Trunk Sewer Servicing	5,400	0
Growth	Industrial SWM Ponds	5,252	0
Growth	Storm Sewer Built Area Works	2,130	2,181
Growth	SWM Facility - North Lambeth No 6	3,301	0
Service Improvement	UTRCA - Remediating Flood	5,071	5,192
Service Improvement	Targeted Weeping Tile	1,268	1,298
Service Improvement	Wetland Restoration and SWM Treatment Enhancement	1,268	1,298
Service Improvement	Targeted Road and Sidewalk Icing Reduction	1,901	0
Service Improvement	Sewage Bypass and Overflow	847	867

Subject to rounding.

Wastewater and Treatment Reserve and Reserve Fund Overview

Reserve and Reserve Fund Classification Descriptions

Classification	Type	Description
Obligatory	City Services	City Services reserve funds are legislated by the Development Charges (DC) Act, 1997, as amended; a separate reserve fund exists for each service upon which a DC is levied; contributions fund future growth-related projects.
Obligatory	Canada Community-Building Fund (Formerly Federal Gas Tax)	Canada Community-Building Fund (Formerly Federal Gas Tax) Reserve Fund is maintained under the Agreement for Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities between Canada-Ontario-AMO-City of Toronto made as of June 17, 2005.
Discretionary	Capital Asset Renewal and Replacement	Established to provide funding for the repair and maintenance of existing City assets to ensure City-owned assets do not deteriorate over time.
Discretionary	Capital Asset Growth	Established to provide funding to new capital initiatives while allowing the City to stabilize the cost of purchasing major capital assets by spreading the cost over multiple years.
Discretionary	Special Projects and New Initiatives	Planned savings within the budget to fund projects or expenses either identified at the time the reserve or reserve fund is set-up or after, which allows the City to save for planned or unanticipated projects or expenses that may arise and do not have another funding source.
Discretionary	Contingencies/Stabilization and Risk Management	Designed to fund future obligations which are based on calculated estimates and to mitigate unforeseen events or one-time unanticipated revenue losses and expenses.

Reserve and Reserve Fund Details (\$ Thousands)

Type	Reserve or Reserve Fund	2020 Uncommitted ²	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Capital Asset Renewal and Replacement	Sewage Works Renewal	55,105	43,479	47,924	45,528	71,205
Capital Asset Growth	Industrial DC Incentive Wastewater	1,811	1,859	1,906	1,955	2,254
Capital Asset Growth	Industrial Oversizing Sewer	184	1,662	1,679	1,696	1,800
City Services	City Services - Wastewater	5,352	3,087	4,254	5,977	386
City Services	City Services – Stormwater	5,272	3,781	3,603	3,851	5,954
Special Projects and New Initiatives	Wastewater Efficiency, Effectiveness and Economy Reserve ¹	3,588	4,001	4,415	4,828	7,309
Special Projects and New Initiatives	Sump Pump, Sewage Ejector and Storm Private Drain Connection	469	473	478	483	513
Special Projects and New Initiatives	Disconnection of Sewer Cross Connection Loan Program	120	121	122	123	131
Contingencies / Stabilization and Risk Management	Wastewater Budget Contingency Reserve	11,643	11,643	11,643	11,643	11,643
Total	Wastewater and Treatment Reserves and Reserve Funds	83,544	70,108	76,024	76,083	101,195

Subject to rounding.

Notes

1. Wastewater Efficiency, Effectiveness and Economy Reserve balances are increasing because they do not factor in draws until approved by Council.
2. The 2020 Uncommitted balances include updates for the 2020 Year End financial processes e.g. surplus contributions, that were not available at the time the 2021 Annual Budget Update Document was drafted.

2022 Annual Budget Update Amendment Cases



2022 Annual Budget Update

Budget Amendment # P-1

Strategic Area of Focus: Leading in Public Service
 Strategy: Conduct targeted service reviews.
 Budget Amendment Type: Cost/Revenue Driver
 Description: Reductions due to zero-based reviews and other budget right-sizing
 Service(s): Various
 Lead: Anna Lisa Barbon, Deputy City Manager, Finance Supports

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	-\$3,712	-\$3,282	-\$6,994
Annual Incremental Tax Levy Impact	N/A	N/A	-\$3,712	\$430	-\$3,282
Estimated Annual Tax Levy Impact %	N/A	N/A	-0.55%	0.08%	-0.12% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	-\$17.55	-\$15.46	-\$8.25 Average

Subject to rounding.

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

Reductions Due to Zero-Based Reviews and Other Budget Right-Sizing

What is the reason for the budget amendment?

As outlined in the City of London's 2019 to 2023 Strategic Plan, the Corporation is committed to "increasing the effectiveness and efficiency of service delivery" and "maintaining London's finances in a transparent and well-planned manner to balance equity and affordability over the long-term." Consistent with these objectives, Civic Administration conducts regular reviews of its budgets to ensure resources are aligned with current service level requirements. These reviews are supported through techniques such as zero-based budget reviews and trend analysis, among others. As a result of this work, the Civic Administration has identified permanent budget reductions and budget right sizing that can be implemented without impacting service levels.

Operating Budget Table (\$ Thousands)

Zero-Based Reviews and Other Budget Right-Sizing	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$0	\$0	\$0	\$0	\$0	\$0
Amendment	N/A	N/A	-\$3,412	-\$2,982	-\$6,394	-\$17,892
Amended Net Budget (Tax Levy)	\$0	\$0	-\$3,412	-\$2,982	-\$6,394	-\$17,892

Subject to rounding.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Street Light Maintenance	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS512322	\$2,844	\$2,977	\$3,111	\$3,184	\$12,116	\$21,258
Amendment	N/A	N/A	-\$300	-\$300	-\$600	-\$1,800
Amended Budget	\$2,844	\$2,977	\$2,811	\$2,884	\$11,516	\$19,458

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	\$300	\$300	\$600	\$1,800
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Tax Supported	N/A	N/A	\$0	\$0	\$0	\$0
Amended Budget	\$2,844	\$2,977	\$2,811	\$2,884	\$11,516	\$19,458

Subject to rounding.

Notes:

- 1) The 2030 capital gross expenditure is \$3,575,840.
- 2) The 2031 capital gross expenditure is \$3,668,860.

Staffing Impact Table

Staffing Summary - Changes	2020	2021	2022	2023
# of Full-Time Employees Impacted	N/A	N/A	-1.0	-1.0
# of Full-Time Equivalents Impacted	N/A	N/A	-1.3	-1.3
Cost of Full-Time Equivalents (\$ Thousands)	N/A	N/A	-\$62	-\$62

Subject to rounding.

Note: This represents a currently vacant position.

Additional Details

As a result of performing zero-based budget reviews and trend analysis across various services, total reductions in the amount of \$3.7 million in 2022 and \$3.3 million in 2023 have been identified. As previously noted, these reductions do not impact service levels.

Reductions were identified in a variety of areas, including:

- Reduction to corporate contingency budget (\$1 million);
- Right-sizing of revenues for supplementary taxes (\$500 thousand);
- Right-sizing of revenues from the W12A landfill based on prior years' experience (\$300 thousand);
- Review of utilities budgets for City facilities (\$257 thousand);
- Right-sizing of budgets in the waste diversion area (\$430 thousand in 2022 only);
- Review of annual maintenance costs for streetlights (\$300 thousand);
- Right-sizing of Taxation office revenues (\$180 thousand)

- Remaining amount (\$750 thousand) due to right sizing of operational expenses and revenues from other various service areas across the organization

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

No – this amendment is strictly to better align budgets with actual spending. There are no greenhouse gas emission impacts.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

No – this amendment is strictly to better align budgets with actual spending. There are no impacts related to climate change resilience.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

No – this amendment is strictly to better align budgets with actual spending. There are no climate change considerations requiring consultation.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

None – this amendment is strictly to better align budgets with actual spending. There are no service level impacts and therefore no impacts to equity-deserving groups.

- 2) What barriers or needs does this amendment address?

None - this amendment is strictly to better align budgets with actual spending. There are no service level impacts.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

This amendment will reduce the required tax levy, and this will make services more affordable (low impact).

4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

None – this amendment is strictly to better align budgets with actual spending. There are no anticipated negative impacts.

5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

No – this amendment is strictly to better align budgets with actual spending. There are no equity impacts requiring consultation.

Governance Considerations:

1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

No – this amendment is strictly to better align budgets with actual spending. There are no identified risks as remaining budgets will be sufficient to accommodate required spending in the relevant areas.

2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

No – there are no identified risks of not proceeding.

3) How will the progress, results and impacts of this amendment be monitored and communicated?

The changes resulting from this amendment will be reflected in the corporate budget monitoring process.

2022 Annual Budget Update

Budget Amendment # P-2

Strategic Area of Focus:	Strengthening our Community
Strategy:	Deliver health protection and promotion programs guided by population health surveillance
Budget Amendment Type:	Cost Driver
Description:	Additional operational costs due to inflationary pressures
Service(s):	Middlesex-London Health Unit (MLHU)
Lead:	Emily Williams, Director, Healthy Organization & Interim CEO, MLHU

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	\$640	\$640	\$1,280
Annual Incremental Tax Levy Impact	N/A	N/A	\$640	\$0	\$640
Estimated Annual Tax Levy Impact %	N/A	N/A	0.10%	0.00%	0.02% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	\$3.02	\$3.01	\$1.51 Average

Subject to rounding.

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

Additional operational cost due to inflationary pressures

What is the reason for the budget amendment?

Through the annual PBMA (Program Budgeting and Marginal Analysis) and 2021 budget process, the Middlesex-London Health Unit determined that an increase of \$762,182 (City of London \$640,233 and County of Middlesex \$121,949) was required for 2021, made up largely of inflationary and incremental premises cost pressures. The budget increase was approved by the Board of Health in 2021.

Operating Budget Table (\$ Thousands)

Middlesex-London Health Unit	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$6,705	\$6,095	\$6,705	\$6,705	\$26,210	\$40,230
Amendment	N/A	N/A	\$640	\$640	\$1,280	\$3,840
Amended Net Budget (Tax Levy)	\$6,705	\$6,095	\$7,345	\$7,345	\$27,490	\$44,070

Subject to rounding.

Additional Details

As part of the 2020-2023 Multi-Year Budget, an increase in the City of London's share of the Middlesex-London Health Unit's budget was included to reflect the Province's plan to increase the municipal share of public health funding to 30% effective January 1, 2020, noting that the increase in 2020 was capped at 10%.

In 2020, the provincial government announced support for municipalities and public health units as they continue to respond to COVID-19 by investing in one-time mitigation funding for both the 2020 and 2021 calendar years. This mitigation funding was subsequently reflected in the City's 2021 budget through a budget amendment in 2021 Budget Update. Subsequent to the approval of the City's 2021 Budget Update, Middlesex-London Health Unit's 2021 PBMA and budget process identified additional inflationary and operational pressures related to staffing, required programmatic investments, and incremental premises cost pressures for the new office location in Citi Plaza. Middlesex-London Health Unit determined that an increase of \$762,182 (City of London \$640,233 and County of Middlesex \$121,949) was required for 2021.

This increase was included in MLHU's 2021 budget and approved at the Finance & Facilities Committee (FFC) on Feb. 11, 2021 and subsequently approved at the full Board of Health (BOH) meeting on Feb. 18, 2021. As noted above, this increase was approved after the finalization of the City's 2021 Budget Update, and therefore must be reflected in the 2022 Budget Update to ensure sufficient funding is available for this ongoing obligation.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

This amendment does not have an impact on the City of London's net-zero greenhouse gas emissions targets.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

Funding within the 2021 MLHU budget directly supports the Environmental Health and Infectious Diseases (EHID) team at MLHU which is accountable for related comprehensive public health programs, inclusive of a protocol to alert the general public, local agencies, stakeholders, and the media, in a coordinated manner, of the forecast of extreme weather events. This is to ensure that everyone, with special consideration for people experiencing homelessness and those most vulnerable, is provided with recommendations to prepare appropriately for the effects of extreme temperatures. The amended funding will support continuity of current service levels ensuring adequate services remain in place regarding severe weather conditions.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

The 2021 Budget provides an overview of the work of MLHU and outlines the programs and services that are delivered to the community to meet the Ontario Public Health Standards: Requirements for Programs, Services and Accountability, 2018. Typically, the Budget is presented as part of a fulsome Annual Service Plan (ASP); however, due to COVID-19, this process was truncated and impacted the level of consultation undertaken. The 2021 budget, including the increased funding request, was approved by the FFC and the full Board of Health in February of 2021.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

This amendment will allow MLHU to continue current operations and investment to additional programs that support vulnerable members of the community. Four key areas of additional investment are outlined below, which highlight the vulnerable groups that are directly affected by the increased funding.

1: Investment Public Health Nurse (PHN) Substance Use Prevention & Drug Strategy Prevention Focused Support.

This investment is to increase MLHU capacity in meeting its public health mandate for substance misuse prevention under the OPHS Substance use and Injury Prevention program standard, and to provide MLHU resources to support the Middlesex-London Community Drug and Alcohol Strategy in implementing recommendations related to prevention.

Substance use and related harms have been a concern in the Middlesex-London community for some time, with significant evidence and surveillance data demonstrating community need. There is growing and broad Canadian evidence, and emerging local evidence, that the COVID-19 pandemic and associated public health measures aimed at controlling viral spread have led to increased substance use and substance related harms, including increased opioid poisonings and deaths and increased rates of alcohol and cannabis use. Notably, there has been impact on substance related risk and protective factors (income, employment, mental well-being, social connection etc.) that are expected to have lasting implications. With future waves of COVID-19 in our communities and the unknowns about life post-pandemic, it is important for MLHU to continue to monitor the negative impacts associated with substance use, deliver related health promotion strategies, engage in policy development work, and leverage supports of community partners in order to reduce the negative impacts on substance use.

2: Nurse-Family Partnership (NFP).

This enhancement will allow program caseload capacity to increase from 100 to 120 women and their children and would ensure the NFP program is available for first-time mothers up to 24 years of age. The NFP program serves as an effective strategy to meet the Board-approved, recovery planning priorities identified by MLHU: domestic violence, mental health promotion, substance use, food insecurity and racism.

3: Introduction of iHEAL Program.

The iHEAL is a comprehensive, health promotion intervention for women who are in the transition of separating from an abusive partner. Public health nurses work in partnership with women for approximately 6 months to address a range of issues that affect women's safety, health and well-being. This intervention aligns with the Substance Use and Injury Prevention Program, supports MLHU's mandate for mental health promotion, and aligns with the priorities proposed by Recovery Planning focused on emerging and priority public health issues (domestic violence, mental health, and possibly substance use). It is essential to note that this individual-level intervention targeting women experiencing violence and at significant risk for exposure to increased violence must be part of a comprehensive population public health approach to addressing violence in our community.

4: Community Outreach Team, Client Travel.

Due to clients being significantly marginalized people with many immediate needs, travel by taxi continues to be the most efficient way to get clients to appointments and other supports in a timely manner and remove travel as a barrier. This helps decrease "no show" rates for appointments and helps the team to work in a more efficient manner by seeing clients each day. Bus tickets are also considered for clients experiencing more stability in their recovery journey.

2) What barriers or needs does this amendment address?

See above response.

3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

As per the above response, the anticipated level of impact of continued funding will be high for vulnerable populations, including those experiencing substance abuse, violence, low income, homelessness or under-housing.

4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

No negative impacts are anticipated from this amendment.

5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

The 2021 Budget provides an overview of the work of MLHU and outlines the programs and services that are delivered to the community to meet the Ontario Public Health Standards: Requirements for Programs, Services and Accountability, 2018. Typically, the Budget is presented as part of a fulsome Annual Service Plan (ASP); however, due to COVID-19, this process was truncated and impacted the level of consultation undertaken. The 2021 budget, including the increased funding request, was approved by the FFC and the full Board of Health in February of 2021.

Governance Considerations:

1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

No governance risks are anticipated from this amendment.

2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

The inflationary pressures for 2021 have been realized with Collective Agreement requirements solidified for the next year. As well, the investments outlined above have been implemented based on Board of Health approval. Without any additional funding MLHU may result in a shortfall which could require lay-offs of personnel or result in a deficit position at year end. The Senior

Leadership Team (SLT) at MLHU is committed to undertaking a zero-based budgeting process beginning in Q1 of 2022 to ensure funding requirements and budgets are aligned, which will be foundational to budget planning for 2023.

3) How will the progress, results and impacts of this amendment be monitored and communicated?

As per the legislative requirements, MLHU staff and leadership will provide ongoing updates to the BOH on the delivery of mandated and critical public health services, outlining the results and impacts of changes in service delivery.

2022 Annual Budget Update

Budget Amendment # P-3

Strategic Area of Focus:	Growing Our Economy
Strategy:	Continue to engage the community to attract conventions, conferences and multi-day events to London contributing to the community's economic prosperity
Budget Amendment Type:	Revenue Driver
Description:	2022 COVID-19 restriction impacts on RBC Place London convention operations
Service(s):	RBC Place London
Lead:	Lori Da Silva, General Manager and Chief Executive Officer

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	\$0	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	\$0	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	0.00%	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	\$0	\$0	\$0.00 Average

Subject to rounding.

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

2022 COVID-19 Restriction Impacts on RBC Place London Convention Operations

What is the reason for the budget amendment?

The City of London provided operational funding for RBC Place London in 2021 to maintain the facility and enable the team to reopen as the Province moved into Step 3 in August 2021. Recent events with the surge of a fourth wave of cases are delaying recovery in 2021. Event revenue forecasted in the fall of 2021 remains at risk, with planners concerned about further COVID cases and attendees concerned for their health and safety. Current operational and cash flow analysis shows a significant need for additional City of London funding support during the first few months of 2022 based on the current number and nature of events on the books. As a result, RBC Place London is looking to proactively address the projected operational and cash flow shortage in order to continue to operate and maintain the facility through 2022. It is important to note that the funding support requested through this budget amendment will only be flowed to RBC Place if required; should recovery proceed faster than anticipated, this funding support may not be fully required.

Operating Budget Table (\$ Thousands)

RBC Place London ²	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$648	\$658	\$668	\$678	\$2,652	\$4,068
Expenditure Amendment	N/A	N/A	\$850	\$0	\$850	\$0
Revenue Amendment ¹	N/A	N/A	-\$850	\$0	-\$850	\$0
Amended Net Budget (Tax Levy)	\$648	\$658	\$668	\$678	\$2,652	\$4,068

Subject to rounding.

Notes

1. The proposed source of financing for this budget amendment is the 2020 Property Tax Supported Surplus that was contributed to the Operating Budget Contingency Reserve to mitigate potential COVID-19 impacts, resulting in no impact to the tax levy.
2. The Operating Budget Table for RBC Place London is representative of net budget (tax levy) only, thus excludes impacts of grants and Reserve Fund contributions allocated to RBC Place London in 2020 and 2021 totalling \$1.6 million and \$3.5 million respectively. These amounts were funded from property tax operating budget year-end surplus resulting in no impact to the tax levy.

Additional Details

Canada is now experiencing a fourth wave of COVID-19 cases which has impacted the recovery rate of the live event industry. Provincial restrictions remain in place limiting capacity of indoor gatherings with the expectation that restrictions are not likely to be lifted imminently. The uncertainty of capacity size is causing groups to reassess their ability to host indoor in-person events. Many corporations have extended their “work from home” plan with an anticipated staged return in the fall of 2021.

Current COVID-19 restrictions continue to hamper the recovery of the tourism and events industry overall. In 2021, the City of London provided operational funding to RBC Place London covering all deposits on account, regular maintenance and energy costs, salaries and wages to enable the venue to re-open and prepare the facility. Although the venue has officially re-opened its doors to events, many clients require six months to one year to plan and market an event successfully pushing numerous events to postpone until 2022. According to Leger Research's National Pandemic Tracker study results reported on August 17, 2021, Ontarians' level of comfort with activities after protective measures are lifted was 36% for attending large gatherings such as sporting events, concerts or festivals, which is a decrease from 63% reported on July 19, 2021, however, for dining in restaurants the level of comfort increased to 66% from 44% during the same period. This shows that individuals are increasingly less comfortable attending large live events.

Aligning with this trend, RBC Place London continues to suffer from event cancellations. Industry wide experts currently anticipate a 2 to 5-year recovery period for the live events industry. RBC Place London anticipates 18 to 24 months for recovery with a strong regional and provincial market base and international events rebooked for late 2022 and 2023.

Pre COVID-19, the venue was successfully generating \$15 to \$22 million annually in economic spend from hosting multi-day conventions and conferences, corporate meetings and events, social and entertainment events for the community. RBC Place London employed 105 associates many of whom are students and lower income citizens. The impact of COVID-19 has devastated the live events industry and as a City owned venue, RBC Place London has not qualified for any other direct Provincial or Federal funding to date. In 2020, Council supported RBC Place London with a grant to support operations for the remainder of 2020 in the amount of \$1.6 million as part of the 2020 Mid-Year Operating Budget Monitoring Report and COVID-19 Financial Impacts. In 2021, Council forgave the Promissory Note between the City of London and RBC Place London as part of the 2021 Annual Budget Update (outstanding principal balance of approximately \$1.4 million). Also in 2021, RBC Place London received \$3.5 million of funding based on the report RBC Place London - COVID-19 Financial Impacts, presented at the Strategic Priorities and Policy Committee on April 27, 2021. This included a grant in the amount of \$2.5 million to sustain operations through 2021, and a one-time contribution of \$1.0 million to the RBC Place Renewal Reserve Fund to ensure that the current RBC Place capital plan remains fully funded despite pressures on the reserve fund. Despite the support received in 2020 and 2021, the impact of COVID-19 and subsequent Provincial restrictions continue to negatively impact the venue's ability to fully cover operational costs in 2022 while recovering from this devastating pandemic.

RBC Place London is eager to continue to align our strategic plans with Tourism London, Downtown London, London Economic Development Corporation, Fanshawe College and the City of London for industry and downtown London recovery and growth, by driving direct economic impact through hosting events. As recovery for the events industry is anticipated to be a 2 to 5 year timeline, RBC Place London recovery will be slower than anticipated due to additional cancellations being experienced in the last quarter of 2021 as a result in the ongoing safety concerns and COVID-19 restrictions. While RBC Place London was hoping not to request any further operational funding assistance from the City of London, should the requested 2022 funding not be approved and current government restrictions remain in place, RBC Place London will not be financially able to remain open and at risk of termination and severance of associates should the Infectious Disease Emergency Leave (IDEL) not be extended into 2022.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

This amendment does not have an impact on the City of London's net-zero greenhouse gas emissions target.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

No, no impact on climate resilience.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

No, as there are no anticipated climate related impacts associated with this amendment.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

Some key demographic data regarding RBC Place's staff is as follows:

Female – 48%; Visible Minority – 17%; Low Income (full-time and part-time) – 62%

- 2) What barriers or needs does this amendment address?

The issue of limited cash flow in order to continue to host smaller events and pay event staff until the industry recovers from the restrictions.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

High impact – the ability to continue to pay wages to event staff. This will maintain an income stream for many RBC Place employees who are reliant on this employment income.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

No significant anticipated negative impacts resulting from the amendment.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Not applicable. This amendment did not have any significant impacts that required consultation with stakeholders.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

The past 18 months of ongoing governmental restrictions and subsequent changes directly impacting the live events industry, has made budgeting and forecasting challenging. Should the fourth wave of current COVID restrictions remain in place until the second quarter of 2022, the ability of RBC Place London to minimize the operational loss with restricted revenue will be difficult. Should the current Provincial restrictions on hosting indoor events be completely removed by the end of 2021, RBC Place London will be in a much better position to rebuild lost revenue in the 1st and 2nd quarters of 2022. Ongoing review of government restrictions and client discussions, monthly updated forecasts and cash flow projections will continue to assist in managing potential risks. Monthly monitoring will enable the team at RBC Place London to regularly report recovery status which may minimize the need for this additional operational funding or provide advance warning of a more dire situation requiring additional funding support in 2022.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

Yes – the inability to continue to operate and maintain the building as per agreement with the City of London.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

Regular reporting to the City of London Finance Supports Service Area regarding progress and impacts of the funding will be provided. This information will be summarized in the semi-annual Operating Budget Monitoring Report provided to Council.

2022 Annual Budget Update

Budget Amendment # P-4

Strategic Area of Focus:	Leading in Public Service
Strategy:	Conduct targeted service reviews
Budget Amendment Type:	Revenue Driver
Description:	Private Parking Enforcement Program – Increased fines to reduce repeat offences of unauthorized parking on private property
Service(s):	Parking
Lead:	George Kotsifas, Deputy City Manager, Planning and Economic Development

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	-\$100	-\$100	-\$200
Annual Incremental Tax Levy Impact	N/A	N/A	-\$100	\$0	-\$100
Estimated Annual Tax Levy Impact %	N/A	N/A	-0.01%	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	-\$0.48	-\$0.47	-\$0.24 Average

Subject to rounding.

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

Private Parking Enforcement Program – Increased Fines to Reduce Repeat Offences of Unauthorized Parking on Private Property

What is the reason for the budget amendment?

One of the parking services offered to property owners is the Private Parking Enforcement Program. This Program has been offered for several years and is the third highest ticket issuance category in terms of volume of charges. As this Program is more of a deterrent for private property trespassing than a parking issue on public property, it would be timely to reexamine the Administrative Monetary Penalty amount of \$45 as an adequate amount to deter repeated offences.

Operating Budget Table (\$ Thousands)

Parking	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	-\$3,642	-\$3,764	-\$3,890	-\$3,887	-\$15,183	-\$23,322
Amendment	N/A	N/A	-\$100	-\$100	-\$200	-\$600
Amended Net Budget (Tax Levy)	-\$3,642	-\$3,764	-\$3,990	-\$3,987	-\$15,383	-\$23,922

Subject to rounding.

Additional Details

This will impact commercial properties as well as residential properties that are part of the Private Property Parking Program. This amendment seeks to increase voluntary compliance through specific and general deterrence, allowing residents and business patrons space to park. The five-year average for private parking enforcement charges is approximately 7,000 per year. Increasing the penalty amount by \$15 would be a reasonable deterrent to repetitive trespassing for parking purposes. The penalty amount increase would generate additional penalty revenue notwithstanding that this is not the purpose of the penalty increase but rather a budget consequence.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

It is unknown if this amendment will affect climate change. Less illegal parking may result in vehicle owners taking alternative forms of transportation, but we would not be able to measure the effect.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

No, this initiative will have no impact on resilience to extreme weather events.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Not applicable. This amendment does not have any climate-change related impacts.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

This amendment does not have a significant impact on equity-deserving or other vulnerable groups.

- 2) What barriers or needs does this amendment address?

This amendment addresses the problem of people leaving their vehicles on private properties (Residential and Commercial) without authorization. These vehicles take up viable parking space for people that are accessing these properties for lawful purposes. The increased fine poses a deterrent and encourages compliance with the By-law.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

This amendment would have a positive impact on private property owners, business patrons and residents of multi-residential buildings. By increasing the fine amount, a greater deterrent to non-compliance is achieved, ensuring parking spaces are free for people attending these properties with lawful purpose.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

No. There are no negative anticipated impacts.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

We have consulted with some private property owners who are part of the Private Property Parking Enforcement Program, who feel that this amendment will greatly assist in ensuring voluntary compliance with the By-law and keeping unauthorized vehicles off their property.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

No there are no risks associated with this amendment

2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

There are no risks associated with not proceeding with this amendment.

3) How will the progress, results and impacts of this amendment be monitored and communicated?

Progress, results and impacts will be monitored by Parking Services and Compliance staff through the ticket management software including impacts for Private Property Parking, Screening Requests, Hearing Requests and financial impacts.

2022 Annual Budget Update

Budget Amendment # P-5

Strategic Area of Focus:	Strengthening our Community; Growing Our Economy
Strategy:	Improve access to licenced child care and early years opportunities; Increase Ontario Works client participation within employment activities
Budget Amendment Type:	Cost Driver
Description:	Part A: Reduction in required Child Care investment in 2022 due to impacts of COVID-19 Part B: Reduction in Ontario Works investment in 2022 due to impacts of COVID-19
Service(s):	Children’s Services; Ontario Works
Lead:	Kevin Dickins, Deputy City Manager, Social and Health Development

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	-\$2,773	\$0	-\$2,773
Annual Incremental Tax Levy Impact	N/A	N/A	-\$2,773	\$2,773	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	-0.41%	0.41%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	-\$13.11	\$0	-\$3.28 Average

Subject to rounding.

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

Part A - Reduction in required Child Care investment in 2022 due to impacts of COVID-19

What is the reason for the budget amendment?

During the 2020-2023 Multi-Year Budget development process, service system planning forecasts anticipated the development of new child care centres that would necessitate additional funding to support new fee subsidy and other operational costs. Growth in the number of child care spaces is supported through Provincial Child Care Expansion Plan Funding (Expansion Plan funding).

With the onset of the COVID-19 pandemic, the development of anticipated new child care centres has been delayed; therefore, the municipal portion of the Expansion Plan funding (\$1.63 million) will not be required in 2022. The funding is expected to be needed in 2023 and beyond as new centres become operational, and therefore should remain in place as approved for 2023 and into the future.

Operating Budget Table (\$ Thousands)

Children's Services	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$7,782	\$7,400	\$8,780	\$8,841	\$32,803	\$53,046
Amendment	N/A	N/A	-\$1,630	\$0	-\$1,630	\$0
Amended Net Budget (Tax Levy)	\$7,782	\$7,400	\$7,150	\$8,841	\$31,173	\$53,046

Subject to rounding.

Additional Details

Capital overview

- In collaboration with the Ministry of Education and other partners, the City of London is supporting the development of new child care capital builds, including:
 1. A planned Southeast Public School (name to be determined) (TVDSB);
 2. River Heights Public School (TVDSB); and
 3. St. Anne Catholic School (LDCSB).
- Capital funding to support these three centres has been committed by the Ministry of Education.
- When complete, these capital projects will create an additional 264 licensed child care spaces in the London and Middlesex child care system.

Expansion plan funding overview

- The London and Middlesex licensed child care system continues to grow to meet the needs of families; Expansion Plan funding supports the associated increased operational costs for services including fee subsidy, special needs resourcing, and capacity building to avoid putting additional strain on the existing system. Expansion Plan funding is cost-shared between the Province (80%) and City of London (20%) as Service System Manager.

COVID-19 impacts

- The capital projects identified above were anticipated to be in the building phase in 2020 and require ongoing operational support beginning in 2021; however, due to the impacts of COVID-19, these projects are now projected to open later in 2022.
- Given construction delays in these capital projects, planning forecasts suggest the municipal portion of Expansion Plan funding will not be needed for 2022.
- The municipal portion of Expansion Plan funding will be needed in 2023, as previously approved by Council, to provide operational funding that supports continued quality, stability, accessibility, and affordability of the growing child care and early years system.

Strategic Plan connection and KPI impacts

- The one-time budget reduction will not impact Strategic Plan metrics associated with service system management of child care. The ongoing challenges of COVID-19 will impact overall metrics related to number of additional licensed child care spaces and number of children in receipt of child care fee subsidy; the budget amendment is responsive to these ongoing challenges.

Community impact

- COVID-19 has highlighted the economic and social importance of child care, particularly for equity-deserving populations, and the City of London is committed to supporting a strong, accessible, equitable child care and early years system. Given delays in system expansion due to COVID-19, no impacts are anticipated related to the one-time reduction of the municipal portion of Expansion Plan funding, it being noted that the provincial 80% portion of the funding will remain available for investment regardless of whether the municipality contributes the recommended 20%.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

This amendment does not have an impact on the City of London's net-zero greenhouse gas emissions targets.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

This amendment does not have any climate-change related impacts.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Not Applicable. This amendment does not have any climate-change related impacts.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

The provision of child care fee subsidy is primarily a function of income level. Moreover, while many families require child care, single parent households, which are most often led by women, may face additional pressures and need. However, as noted in this amendment, there are no anticipated long-term equity impacts through this amendment as this amendment is a result of uncontrollable construction delays and funding will remain in place for 2023 and beyond.

- 2) What barriers or needs does this amendment address?

The amendment is responsive to delays in capital construction and the expansion of child care spaces in 2022 due to COVID-19. Longer-term, the Expansion Plan funding will continue to assist in addressing the need for additional affordable child care spaces.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

Through this amendment, the City of London will reduce the need for the municipal portion of the planned 2022 Expansion Plan funding investment with no anticipated impacts to the child care system, given delays in the expansion of child care spaces due to COVID-19.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

The delays in the construction of the new spaces are an unfortunate result of COVID-19. However, specific to this amendment, there are no anticipated long-term negative impacts related to this one-time budget amendment as funding will remain in place for 2023 and beyond.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Civic Administration contacted London's four school boards (TVDSB, LDCSB, CSC Providence, and CS Viamonde) to review capital plans and timelines. Civic Administration also analyzed and incorporated the impact of this budget amendment as part of budget forecasting for 2022.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

There are no anticipated risks associated with approving this amendment. System forecasting has been adjusted to reflect delays in the growth of child care spaces due to COVID 19, reducing the need for Expansion Plan funding in 2022.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

There are no anticipated risks associated with not approving this amendment.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

In line with existing practice, the Child Care and Early Years budget will be built to maximize the impact of child care and early years system investments in accordance with provincial guidelines and local priorities. Civic Administration will continue to work with school boards and operators to track future system growth against available resources. If emergent issues arise regarding system growth or resource constraints, Civic Administration will contact internal and external stakeholders to identify the issue and develop strategies to address it.

Part B: Reduction in Ontario Works investment in 2022 due to impacts of COVID-19

What is the reason for the budget amendment?

In the 2020-2023 Multi-Year Budget, Council approved additional funding of approximately \$1.74 million for the Ontario Works Program in light of Provincial funding changes that resulted in the Ministry of Children, Community and Social Services (the “Ministry”) capping all municipalities at 2018 funding levels. This created financial and resourcing pressures for the City to cover the 50% Provincial cost share of inflationary or other service cost increases. One notable increase was the cost of employment related expenses to cover a 17% rate increase for bus passes essential for participation in employment activities and to address existing demand in services.

With the onset of the COVID-19 pandemic and associated recovery benefits from the Government of Canada to support Canadians, the Ontario Works program has experienced a decrease in caseload along with a decrease in employment related expenses in 2021. Civic administration anticipates this reduction to continue in 2022, because of the extension of recovery benefits by the Government of Canada and the decline in caseload may take some time to recover to pre-COVID levels. As a result, an estimated net \$1.143 million funding for 2022 will not be required, inclusive of the cost of employment related expenses and deferral of staffing recruitment to align with caseload recovery.

Operating Budget Table (\$ Thousands)

Ontario Works	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$13,689	\$13,945	\$14,554	\$14,716	\$56,904	\$88,296
Amendment	N/A	N/A	-\$1,143	\$0	-\$1,143	\$0
Amended Net Budget (Tax Levy)	\$13,689	\$13,945	\$13,411	\$14,716	\$55,761	\$88,296

Subject to rounding.

Staffing Impact Table

Staffing Summary - Changes	2020	2021	2022	2023
# of Full-Time Employees Impacted	N/A	N/A	-5.0	0.0
# of Full-Time Equivalents Impacted	N/A	N/A	-5.0	0.0
Cost of Full-Time Equivalents (\$ Thousands)	N/A	N/A	-\$450	\$0

Subject to rounding.

Additional Details

The COVID-19 pandemic and the resulting recovery benefits extended by the Government of Canada has impacted caseload and related employment expenses. The Ministry has forecasted an increase in caseload from 2021 to 2022 of approximately 15%. The average caseload for 2021 is forecasted to be approximately 9,180, and with an increase of 15% caseload could reach up to 10,556 in 2022. Despite the predicted increase, caseload would remain much lower than our pre-COVID level of 11,170 (average caseload in 2019) and our budgeted caseload of 11,500. Given the drop in caseload, and the recovery back to pre-COVID levels, there are reduced employment related expenses and a reduced need for staff support expected in 2022. This amendment reflects a one-time reduction of employment related expenses and deferral of recruitment for 5 positions.

Civic Administration will reassess the caseload position as the impacts of COVID-19 and recovery benefits phase out in 2022. If a continued reduction in caseload is experienced, further reductions may be brought forward through the 2023 Annual Budget Update process. Because of the uncertainty in the current environment, Civic Administration is not considering permanent reductions at this time.

Link to Report to Community and Protective Services Committee, May 11, 2021: 2020 Ontario Works Participant and Service Delivery Profile

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=80769>

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

This amendment does not have an impact on the City of London's net-zero greenhouse gas emissions targets.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

This amendment does not have any climate-change related impacts.

- 3) Have you consulted with relevant stakeholders (e.g., advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Not applicable. This amendment does not have any climate-change related impacts.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

Ontario Works provides employment supports to the following equity-deserving groups: First Nations, Metis, Inuit, Racial Minorities, Immigrants & Newcomers, Women, Persons with Disabilities, LGBTQ2S Communities, Persons with Low Income, Persons with Low Literacy, Homeless/Under-Housed, and Victims of Violence.

- 2) What barriers or needs does this amendment address?

This budget item addresses access to transportation and adequate caseworker support. Current caseload in 2021 reflects approximately 10,000 adults, of which 6,400 are participating in employment-related activities requiring access to transportation and caseworker supports. However, given the reduced caseload, it is anticipated that budget resources will be sufficient to support the cost of employment-related activities and caseworker support for the projected 2022 caseload.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

The reduction in investment in 2022 will have a positive impact for Londoners by reducing the tax levy.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

Because the forecasted increase in caseload for 2022 remains below 2019 actuals (provincial funding is based on 2019 actuals), Civic Administration is not anticipating any negative impacts resulting from this one-time reduction.

- 5) Have you consulted with relevant stakeholders (e.g., advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

No, because caseload size for 2022 is forecasted to be lower than 2019, Civic Administration is expecting to be able to manage employment expenses and caseworker support within the existing provincial budget without impact to those receiving services.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

The risk of approving this amendment relates to caseload. A forecasted caseload has been used to estimate the reduction presented. If caseload is higher than forecasted in 2022, then there is a risk of budget pressures in this area. Frequent monitoring of caseload will assist in managing and mitigating this risk.

2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

There are no significant risks of not proceeding with this amendment.

3) How will the progress, results and impacts of this amendment be monitored and communicated?

The progress, results and impacts will be monitored monthly and communicated through the mid-year and year-end budget monitoring reports to the Corporate Services Committee.

2022 Annual Budget Update

Budget Amendment # P-6

Strategic Area of Focus:	Building A Sustainable City, Strengthening our Community
Strategy:	Part A: Prioritize investment in assets to implement the Asset Management Plan Part B: Invest in community building projects
Budget Amendment Type:	Cost Driver
Description:	Reductions to Previously Approved "For Consideration" Business Case: Part A: City of London Infrastructure Gap Part B: Community Improvement Plan – Community Building Projects
Service(s):	Part A: Capital Financing Part B: Planning Services
Lead:	Part A: Anna Lisa Barbon, Deputy City Manager, Finance Supports Part B: George Kotsifas, Deputy City Manager, Planning and Economic Development

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	-\$650	-\$650	-\$1,300
Annual Incremental Tax Levy Impact	N/A	N/A	-\$650	\$0	-\$650
Estimated Annual Tax Levy Impact %	N/A	N/A	-0.10%	0.00%	-0.02% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	-\$3.08	-\$3.06	-\$1.53 Average

Subject to rounding.

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

Part A: City of London Infrastructure Gap, Decrease Tax Supported Reserve Fund Contribution

What is the reason for the budget amendment?

The reason for this budget amendment is to seek Council's approval regarding a permanent decrease of \$600 thousand to the Council approved 2020 to 2023 Additional Investment Business Case 4B - City of London Infrastructure Gap. This additional investment provides for increased tax supported contributions to the Infrastructure Gap Reserve Fund to mitigate growth in the City's approximate \$666.9 million 10-year infrastructure gap. In March of 2020, Council approved this investment in annual increments of \$750 thousand starting in 2020, thus, by 2023 the contribution to the Infrastructure Gap Reserve Fund would have increased to \$3 million per year. However, as part of the 2021 Annual Budget Update, Council approved a permanent decrease to this investment of \$500 thousand starting in 2021, thus, by 2023 this Business Case now represents an investment of \$2.5 million per year to the Infrastructure Gap Reserve Fund. If this 2022 budget amendment is approved by Council, a further permanent decrease of \$600 thousand starting in 2022 will result in this investment representing a \$1.9 million tax supported contribution per year to the Infrastructure Gap Reserve Fund by 2023.

Operating Budget Table (\$ Thousands)

Infrastructure Gap Reserve Fund Contribution	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$750	\$1,000	\$1,750	\$2,500	\$6,000	\$15,000
Amendment	N/A	N/A	-\$600	-\$600	-\$1,200	-\$3,600
Amended Net Budget (Tax Levy)	\$750	\$1,000	\$1,150	\$1,900	\$4,800	\$11,400

Subject to rounding.

Additional Details

The financial consequences of COVID-19 continue to be experienced by Londoners and are likely to continue into the foreseeable future. As such, Civic Administration has brought forward this budget amendment to reduce the tax levy pressures in 2022 and 2023.

All else being equal, if approved, this budget amendment has associated risks. These risks include, but are not limited to, further growth of the infrastructure gap, intergenerational inequities in lifecycle renewal capital financing, inability to maintain current levels of service, and the need for increased future additional investment requests to mitigate growth in the infrastructure gap. However, risks such as these may be fully or partially offset by existing mitigation strategies such as one-time contributions to the Infrastructure Gap Reserve Fund in accordance with the Council approved Surplus/Deficit and Assessment Growth policies, asset management condition assessments which inform capital projects, and annual assessment growth cases for new assets directly owned by the City. Furthermore, when assessing the reasonability of this budget amendment, Civic Administration confirmed that these savings can be achieved without impacting the 2022 to 2031 lifecycle renewal capital plan presented in the 2022 Annual Budget Update for Council approval.

To provide further context to this budget amendment, the following summarizes the current infrastructure gap and recent trends. The 2022 to 2031 capital plan includes a lifecycle renewal program totalling \$1.05 billion. This budget supports directly owned infrastructure with a replacement value of approximately \$22.1 billion. The budget, along with applicable uncommitted reserve fund balances, establishes the reference point to assess if a funding gap exists and assists in determining current levels of service, monitoring the gap, and informing the management of City assets. Based on the results of the Corporate Asset Management Plan 2021 Review, despite the planned lifecycle renewal expenditures and available reserve fund balances, a 10-year infrastructure gap of \$666.9 million exists and this gap represents 3.0% of the replacement value. This infrastructure gap and the gap's percentage of replacement value has increased since the 2019 Corporate Asset Management Plan when the gap equaled \$568.8 million and the gap percentage of replacement value was 2.8%. Thus, to achieve future infrastructure sustainability, the City will require either an increase in investment in infrastructure renewal, or a reduction in the number of services or levels of services the City provides. Approval of this budget amendment would marginally increase the infrastructure gap as a percentage of replacement value, from 3.01% to 3.04%.

Lastly, it is important to note that since the inception of Corporate Asset Management in 2010, Council has made significant financial and non-financial investments to mitigate the infrastructure gap. Examples of these investments are:

- Creating the Capital Infrastructure Gap Reserve Fund (as listed in recommendation #8 in the 2014 Corporate Asset Management Plan), with subsequent related business cases and assessment growth cases in the Tax Supported Source of Reserve Fund Contribution Table below;
- Creating a Council-approved Corporate Asset Management Policy which includes principles of a long-term forward-looking asset management perspective, committing to alignment with City plans and strategies, and take into account Council-approved budgets and other financial plans;
- Supporting an infrastructure gap mitigation strategy over 25 years in the 2019 Corporate Asset Management Plan to recognize the long-term approach required to manage the infrastructure gap;
- Investment in asset management systems totalling \$5.3 million (\$2.8 million in 2012 to 2021 life-to-date financing and \$2.5 million in future 2022 to 2031 financing);

- Establishment of financial policies that ensure prudent financial planning, such as the Capital Budget and Financing Policy and the Reserve/Reserve Fund Policy, as well as financial policies that seek to maximize public funds by allocating a portion of one-time surpluses to the infrastructure gap, such as the Surplus/Deficit Policy and the Assessment Growth Policy;
- Approval of the CARR Reserve Fund Rationalization report recommendations that aligned the City’s lifecycle renewal reserve fund portfolio with the City’s asset management plan categories; further entrenching the ties between asset management and financial planning.
- 2022 to 2023 annual reserve fund contributions of \$31.3 million dedicated to mitigating the infrastructure gap (as outlined in the following table), noting that since approval of the CARR Reserve Fund Rationalization Report in 2020, these contributions have been proportionately reallocated to their applicable lifecycle renewal reserve fund, e.g. Transportation Renewal RF, Recreation Renewal RF, etc.;

Tax Supported Source of Reserve Fund Contribution 2022 to 2023 Table (\$ Thousands)

Tax Supported Contribution Source	2022	2023
2016 Strategic Investment Case #7	\$6,000	\$7,000
2017 Assessment Growth Case #19 (permanent)	\$500	\$500
2018 Assessment Growth Case #23 (permanent)	\$500	\$500
2019 Assessment Growth Case #28 (permanent)	\$1,000	\$1,000
2020 to 2023 Additional Investment Case #4A (permanent)	\$1,000	\$1,000
2020 to 2023 Additional Investment Case #4B (permanent) ¹	\$1,150	\$1,900
2020 Assessment Growth Case #24 (permanent)	\$2,369	\$2,369
2021 Assessment Growth Case #21 (permanent)	\$2,271	\$2,271
Total	\$14,790	\$16,540

- Notes:
1. Contributions presented for additional investment case # 4B assume Council approval of 2022 budget amendment #5A, which reduces the annual contribution by \$600 thousand.

For additional information regarding the Corporate Asset Management Plan and 2020 to 2023 additional investment business case, refer to the committee meetings and reports as well as other online information sources noted below:

- July 26, 2021, Report to the Corporate Services Committee – Corporate Asset Management Plan 2021 Review

- September 8, 2020, Report to the Corporate Services Committee – Corporate Asset Management Plan 2020 Review
- August 26, 2019, Report to Strategic Priorities and Policy Committee – 2019 Corporate Asset Management Plan
- April 8, 2019, Report to Strategic Priorities and Policy Committee – Corporate Asset Management Policy
- Get Involved London Website – Business Cases for Additional Investments, business case number 4 City of London Infrastructure Gap page 47 of document (link and Uniform Resource Locator below)
<https://london.ca/sites/default/files/2020-11/2020%20to%202023%20Multi%20Year%20Budget%20Business%20Case%20Cerlox.ah%20FINAL%20as%20of%20November%203%2C%202020.pdf>

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

No, as this amendment does not pertain to necessary service improvements to reach the 2050 target. Also, it is difficult to quantify the environmental impact of increasing the infrastructure gap. However, timely rehabilitation and repair is considered cost efficient and consistent with less greenhouse gas emissions to complete this work, thus, this amendment may not help the City reach its 2050 emissions target.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

It is difficult to quantify the resiliency impact of increasing the infrastructure gap. However, as adequate funding to keep infrastructure in good repair is consistent with maintaining infrastructure resiliency this amendment may not increase the City's asset resiliency or climate change-related impacts.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Yes, the Corporate Asset Management group consults extensively with service and finance groups during the Corporate Asset Management Plan preparation and subsequently annual Plan reviews (which include Report Card summaries for Transportation, Parks, Recreation, and Corporate Facilities). The Corporate Asset Management Plan reviews include reassessing level of service metrics and appropriate reinvestment rates. Thus, there is an underlying level of work and collaboration in the Corporate Asset Management processes.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

Given tax supported directly owned City infrastructure (such as Facilities, Roads, Recreation, etc.) are assets that are used by City of London residents (or used to provide services for them), this indicates many equity-deserving and vulnerable groups are potentially impacted.

2) What barriers or needs does this amendment address?

In certain respects, none – reducing funding to mitigate the infrastructure gap (instead of using this funding to increase the amount of repair or rehabilitation work) will have an impact on City of London residents. It may unintentionally continue systemic barriers and decrease the quality-of-life for residents who use this infrastructure on a regular basis. However, systemic burdens should be reduced given the tax rate burden is being decreased.

3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

A positive, medium impact is expected from this amendment. The decreased tax burden is considered highly positive but offset by reducing the opportunity to decrease the City's infrastructure gap. This information also informs the Corporate Asset Management Program and future Corporate Asset Management Plans. It assists decision makers (senior City administration and Council) in having informed equity-based decisions for City infrastructure.

4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

Yes, a reduction in funding is expected to negatively impact the City's infrastructure gap (i.e. increase the gap). However, as outlined in the "Additional Details" section of the amendment, the City has various financial and non-financial mitigation strategies that may either fully or partially address this negative impact.

5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Yes, primarily subject matter experts such as City of London service groups and Finance (as described earlier).

Governance Considerations:

1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

Yes, reducing embedded funding sources for mitigating the City's infrastructure gap indicates the tax supported gap (now at \$655.0 million) will increase to \$660.4 million. This is inconsistent with the Corporate Asset Management Plan recommendation to mitigate the infrastructure gap growth.

2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

This amendment has been brought forward as an option to reduce the tax levy. If Council does not proceed with this amendment, there will be no change to the current tax levy from this amendment.

3) How will the progress, results and impacts of this amendment be monitored and communicated?

Corporate Asset Management annually reports the results to Council advising if they are meeting or not meeting level of service targets and, since the 2019 Corporate Asset Management Plan, has provided annual reviews to Council on the City’s infrastructure gap. Any funding changes to the Capital Infrastructure Gap Reserve Fund will be encapsulated in the future Corporate Asset Management Plan or Corporate Asset Management Plan reviews.

Part B: Community Improvement Plan, Decrease Funding for Community Building Projects

What is the reason for the budget amendment?

The Community Building Projects program supports small scale beautification, activation and functional projects and initiatives within and surrounding the City’s urban main streets. Due to the pandemic and anticipated increased funding opportunities from other levels of government, less projects have come forward from local communities in the last two years.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Community Building Projects	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – PD1115	\$30	\$30	\$50	\$50	\$160	\$300
Amendment	N/A	N/A	-\$50	-\$50	-\$100	-\$300
Amended Budget	\$30	\$30	\$0	\$0	\$60	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	\$50	\$50	\$100	\$300
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Tax Supported	N/A	N/A	\$0	\$0	\$0	\$0
Amended Budget	\$30	\$30	\$0	\$0	\$60	\$0

Subject to rounding.

Additional Details

The Community Building Projects program supports a variety of non-incentive and small-scale projects located within neighbourhood-based Community Improvement Plans (CIPs), outside of the Downtown. This program provides seed funding to get local initiatives off the ground and build local capacity for sustainable commercial districts and attractive and engaging public spaces.

Examples of projects and initiatives supported by this program include:

- Container planting and hanging basket programs;
- Way-finding, gateway and destination signage;
- Public art including alleyway beautification, crosswalk painting, and utility box wraps;
- Coordinated permanent and moveable street furniture including benches, patios, and café tables;
- Support and cost-sharing for Business Improvement Areas and community association initiatives;
- Retrofit of existing community gathering places to provide shade structures, event space, and seating areas;
- Creative lighting and enhanced lighting for safety;
- Branding and advertising; and,
- Targeted incentive programs for items like signage, weather protection, lighting, and patios.

Due to the impact of the pandemic, there have been fewer projects and initiatives come forward than anticipated in the last two years. As the economy recovers, there is an anticipated increase in investment from other levels of government to support economy and community recovery. Within the foreseeable future, remaining capital funding from prior years is sufficient to support the local Community Improvement Plan's recovery.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

This amendment does not have an impact on the City of London's net-zero greenhouse gas emissions targets.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

This amendment does not have any climate-change related impacts.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Not applicable. This amendment does not have any climate-change related impacts.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

The Community Building Projects supports local Business Improvement Areas and Business Associations and other community stakeholders in implementing community initiatives and projects. It is not anticipated to significantly impact specific equity-deserving groups.

- 2) What barriers or needs does this amendment address?

This amendment will not address barriers or needs from an equity impact lens.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

This amendment will have a positive impact for Londoners by reducing the tax levy.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

No significant anticipated negative impacts resulting from the amendment.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Not applicable. This amendment did not have any significant impacts that required consultation with stakeholders.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

This amendment will result in reduced funding available to Community Improvement Plans. This can be mitigated as there are increasing funding opportunities from other levels of government.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

There have been no identified risks of not proceeding with this amendment.

3) How will the progress, results and impacts of this amendment be monitored and communicated?

Funding opportunities and community needs will continue to be monitored. Budget will be adjusted through annual budget update and/or multi-year budget based on changes in funding opportunities available from other levels of government or growing needs from local communities.

2022 Annual Budget Update

Budget Amendment # P-7

Strategic Area of Focus:	Strengthening our Community; Leading in Public Service
Strategy:	Support neighbourhood festivals, cultural events, and activities across the city; Strengthen engagement opportunities for all Londoners to participate in their neighbourhoods;
Budget Amendment Type:	Cost Driver
Description:	Part A: Reduction of Neighbourhood Decision Making Grant Program Part B: Reduction of Neighbourhood Small Events Fund Grant Program Part C: Reduction of Athletic Travel Grants
Service(s):	Neighbourhood Strategic Initiatives and Funding; Sport Services
Lead:	Cheryl Smith, Deputy City Manager, Neighbourhood and Community-Wide Services

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	-\$235	-\$235	-\$470
Annual Incremental Tax Levy Impact	N/A	N/A	-\$235	\$0	-\$235
Estimated Annual Tax Levy Impact %	N/A	N/A	-0.03%	0.00%	-0.01% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	-\$1.11	-\$1.11	-\$0.55 Average

Subject to rounding.

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

What is the reason for the budget amendment?

Three programs providing community grants have been identified as potential budget saving opportunities. These programs include: the Neighbourhood Decision Making Program; the Neighbourhood Small Events Fund; and the Athletic Travel Grants Program. This budget amendment outlines permanent reductions to the Neighbourhood Decision Making Program and the Neighbourhood Small Events fund, and the Athletic Travel Grants Program.

Part A - Reduction of Neighbourhood Decision Making Program

Operating Budget Table (\$ Thousands)

Neighbourhood Decision Making Program	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$250	\$250	\$250	\$250	\$1,000	\$1,500
Amendment	N/A	N/A	-\$125	-\$125	-\$250	-\$750
Amended Net Budget (Tax Levy)	\$250	\$250	\$125	\$125	\$750	\$750

Additional Details

The Neighbourhood Decision Making Program provides an opportunity for community members to directly decide how to spend a portion of the municipal budget in their neighbourhoods on an annual basis. The purpose of the program is to engage, empower and connect residents by bringing neighbours together around community-driven projects that enhance and strengthen their neighbourhoods.

The program provides opportunities for community members to participate in their neighbourhoods, learn about how municipal government works, and to make decisions that directly impact their lives. It provides opportunities for the City to learn about what people want in their neighbourhoods, work collaboratively across service areas to assess and implement ideas, and to support community members through a defined and consistent process. The Neighbourhood Decision Making Program has shown year-over-year increases in the number of successful projects funded as well as significant increases in the number of individuals participating in voting.

Pending approval of this budget amendment, the Neighbourhood Decision Making Program will be reduced by \$125 thousand starting in 2022. Information about the program reduction will be communicated to the public in the spring of 2022. This amendment will impact the following Strategic Plan metrics:

- Number of residents that voted in Neighbourhood Decision Making
- Number of Neighbourhood Decision Making Ideas implemented
- Number of residents who submitted ideas through Neighbourhood Decision Making

- Percentage of neighbourhoods that participate in Neighbourhood Decision Making

Links to supporting documents:

[London Strengthening Neighbourhood Strategy: Neighbourhood Decision Making Program \(June 17, 2019\)](#)

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

This amendment does not have an impact on the City of London's net-zero greenhouse gas emissions targets.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

This amendment does not have any climate-change related impacts.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Not applicable. This amendment does not have any climate-change related impacts.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

The Neighbourhood Decision Making Program outreach strategy includes supports for neighbourhoods that may be experiencing barriers to participation, this includes outreach to newcomers, cultural groups, youth, and isolated residents. Reduced funding could affect participation opportunities for these groups.

- 2) What barriers or needs does this amendment address?

This amendment will not address barriers or needs from an equity impact lens but, as noted above, could negatively affect barriers to participation for the aforementioned equity-deserving groups.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

Low impact. The amendment will provide a budget saving opportunity.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

This amendment will result in reduced opportunities to support groups experiencing barriers to participate in neighbourhood programs, events, and activities.

If this program is reduced, Neighbourhood and Community Wide Services would continue to use an equity and inclusion lens on all work and seek out opportunities to support anti-racism and anti-oppression.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Not applicable. This amendment did not have any significant impacts that required consultation with stakeholders.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

This amendment will result in reduced funding available to Londoners to improve their local communities and support neighbourhood events and activities.

This can be mitigated through sharing clear and transparent information with community organizations and the public and continuing to support community development through existing programs.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

Outside of the potential risks noted in the previous section, there have been no additional identified risks of not proceeding with this amendment.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

Pending approval of the 2022 Municipal Budget, a detailed communications plan will be developed to inform community organizations, community members and other stakeholders about the changes to community granting programs. Information will be shared in a timely manner, allowing stakeholders time to prepare for the changes. Feedback related to the budget amendment will be collected and analyzed.

Part B - Reduction of Neighbourhood Small Events Fund Grant Program

Operating Budget Table (\$ Thousands)

Neighbourhood Small Events Fund	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$20	\$20	\$20	\$20	\$80	\$120
Amendment	N/A	N/A	-\$10	-\$10	-\$20	-\$60
Amended Net Budget (Tax Levy)	\$20	\$20	\$10	\$10	\$60	\$60

Additional Details

The Neighbourhood Small Events Fund provides a one-time grant of up to \$500 per year to community/neighbourhood groups to assist with event expenses such as: venue rentals, first aid stations, portable washrooms, etc.

The program removes barriers for neighbours looking to engage and lead in their communities. It promotes opportunities to neighbours to build relationships, connect to their communities, and come together for no cost.

Pending approval of this budget amendment, the Neighbourhood Small Events Fund will be reduced by \$10 thousand starting in 2022. Information about the program reduction will be communicated to the public in the spring of 2022. This amendment will impact the following Strategic Plan metrics:

- Dollars invested to support community organizations through Neighbourhood Small Events Fund

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

This amendment does not have an impact on the City of London’s net-zero greenhouse gas emissions targets.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

This amendment does not have any climate-change related impacts.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

This amendment does not have any climate-change related impacts.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

The Neighbourhood Small Events Fund reduces barriers to hosting and supporting neighbourhood events by providing grants to off-set costs. This amendment may impact groups that have limited funds available to support an event in their neighbourhood.

- 2) What barriers or needs does this amendment address?

This amendment will not address barriers or needs from an equity impact lens but, as noted above, could negatively affect groups with limited funds to support neighbourhood events.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

Low impact. The amendment will provide a budget saving opportunity.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

This amendment will result in reduced opportunities to support groups experiencing barriers to participate in neighbourhood events.

If this program is reduced, Neighbourhood and Community Wide Services would continue to use an equity and inclusion lens on all work and seek out opportunities to support anti-racism and anti-oppression.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Not applicable. This amendment did not have any significant impacts that required consultation with stakeholders.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

This amendment will result in reduced funding available to Londoners to support neighbourhood events and activities.

This can be mitigated through sharing clear and transparent information with community organizations and the public and continuing to support community development through existing programs.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

Outside of the potential risks noted in the previous section, there have been no additional identified risks of not proceeding with this amendment.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

Pending approval of the 2022 Municipal Budget, a detailed communications plan will be developed to inform community organizations, community members and other stakeholders about the changes to community granting programs. Information will be shared in a timely manner, allowing stakeholders time to prepare for the changes. Feedback related to the budget amendment will be collected and analyzed.

Part C - Reduction of Athletic Travel Grants

Operating Budget Table (\$ Thousands)

Athletic Travel Grants	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$119	\$119	\$119	\$119	\$476	\$714
Amendment	N/A	N/A	-\$100	-\$100	-\$200	-\$600
Amended Net Budget (Tax Levy)	\$119	\$119	\$19	\$19	\$276	\$114

Additional Details

The Athletic Travel Grants Program provides up to \$100 per competitor/team member (up to a maximum of \$500) to local amateur sporting teams or individuals who win championships in the current year, or the immediately preceding year, or attain standards prescribed by the Provincial and/or National and/or International governing body, which qualify them to enter Provincial, National or International championship competitions.

The program assists sport teams and/or individuals with expenses such as travel and accommodations noting that the Athletic Travel Grants Program is only a supportive grants program and not intended to wholly support an individual or team for travel expenses in quest of a championship.

Pending approval of this budget amendment, the Athletic Travel Grants program will be significantly reduced starting in 2022 saving \$100 thousand annually. Information about reduction of the program will be communicated to stakeholders in the spring of 2022.

Links to supporting Council Policy: [Athletic Travel Grants | City of London](#)

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

This amendment does not have an impact on the City of London's net-zero greenhouse gas emissions targets.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

This amendment does not have any climate-change related impacts.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Not applicable. This amendment does not have any climate-change related impacts.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

This amendment does not have a significant impact on equity-deserving or other vulnerable groups.

- 2) What barriers or needs does this amendment address?

This amendment will not address barriers or needs from an equity impact lens.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

Low impact. The amendment will provide a budget saving opportunity.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

This amendment will result in reduced opportunities to support groups for athletic travel.

If this program is reduced, Neighbourhood and Community Wide Services would continue to use an equity and inclusion lens on all work and seek out opportunities to support anti-racism and anti-oppression.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Not applicable. This amendment did not have any significant impacts that required consultation with stakeholders.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

This amendment will result in reduced funding available to support athletic travel expenses.

This can be mitigated through sharing clear and transparent information with community organizations and the public and continuing to support community development through existing programs.

2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

There have been no identified risks of not proceeding with this amendment.

3) How will the progress, results and impacts of this amendment be monitored and communicated?

Pending approval of the 2022 Municipal Budget, a detailed communications plan will be developed to inform community organizations, community members and other stakeholders about the changes to community granting programs. Information will be shared in a timely manner, allowing stakeholders time to prepare for the changes. Feedback related to the budget amendment will be collected and analyzed.

2022 Annual Budget Update

Budget Amendment # P-8

Strategic Area of Focus:	Building a Sustainable City
Strategy:	Implement strategies, policies, and programs to conserve natural areas and features Plant more trees to increase the city's tree canopy cover Londoners can move around the City safely and easily in a manner that meets their needs.
Budget Amendment Type:	Cost Driver
Description:	A) Park and Road-Side Naturalization: Reduction in the limits of grass cutting in parks and select roadsides. B) Urban Forestry: Reduce tree trimming.
Service(s):	Parks Planning and Design & Parks and Horticulture; Urban Forestry
Lead:	Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	-\$258	-\$258	-\$516
Annual Incremental Tax Levy Impact	N/A	N/A	-\$258	\$0	-\$258
Estimated Annual Tax Levy Impact %	N/A	N/A	-0.04%	0.00%	-0.01% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	-\$1.22	-\$1.22	-\$0.61 Average

Subject to rounding.

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

Part A - Park and Roadside Naturalization: Reduction in the Limits of Grass Cutting in Parks and Select Roadsides

What is the reason for the budget amendment?

The City cuts grass in over 470 parks and open space areas across the City, and along most arterial roads and some secondary roads where there is no adjacent landowner fronting the road.

Over the last 20 years, the City has slowly reduced the area of grass cutting in parks in support of naturalization, tree planting and our first pollinator-friendly garden was installed in 2000. To continue this effort and to support our new Climate Change initiatives, Parks has looked closely at a more deliberate reduction in the area we mow to reduce gasoline use and to cut emissions. We are aiming at a 10% reduction overall to the 1040 hectares of mowing in Parks.

In addition, there are several areas along our roads where we can also reduce the amount of boulevard grass cutting without impacting road safety or aesthetics.

This plan also supports overall budgetary constraints for 2022.

Operating Budget Table (\$ Thousands)

Parks Planning & Design and Parks & Horticulture	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$9,282	\$9,487	\$9,628	\$9,764	\$38,161	\$58,584
Amendment	N/A	N/A	-\$158	-\$158	-\$316	-\$948
Amended Net Budget (Tax Levy)	\$9,282	\$9,487	\$9,470	\$9,606	\$37,845	\$57,636

Subject to rounding.

Staffing Impact Table

Staffing Summary - Changes	2020	2021	2022	2023
# of Full-Time Employees Impacted	N/A	N/A	0.0	0.0
# of Full-Time Equivalents Impacted	N/A	N/A	-3.0	-3.0
Cost of Full-Time Equivalents (\$ Thousands)	N/A	N/A	-\$158	-\$158

Subject to rounding.

Note: The number of summer staff hired may not be affected but length of work term may be reduced.

Additional Details

Some of the newly naturalized areas will be planted with trees to help meet the City's Tree Planting Strategy and Million Tree goal. Some areas will remain as meadows to provide for pollinator habitat and support overall landscape diversity.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

Yes, as an interim step to electrifying our Parks Fleet, a reduction in mowing reduces the amount of gasoline used and emissions produced by our lawn mowing equipment.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

Yes, this plan will increase our hectares of natural areas and increase our tree planting area on City lands.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Yes, staff presented this plan to Trees and Forests Advisory Committee in July 2021.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

This amendment does not have a significant impact on equity-deserving or other vulnerable groups.

- 2) What barriers or needs does this amendment address?

This amendment does not have a significant impact on specific barriers or needs.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

This amendment will have a positive impact for Londoners by reducing the tax levy.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

No significant negative anticipated impacts resulting from the amendment.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Not applicable. This amendment did not have any significant impacts that required consultation with stakeholders.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

Yes, the increase of ticks in the London area is growing each year, with an associated risk of Lyme Disease. Signage has been posted near all wooded areas to warn the public of possible ticks. Naturalization areas will be kept away from any existing managed pathway/trails.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

Yes, planned efforts to reach our Climate Change targets will be impacted.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

The number of hectares of mowing reduction will be tracked each year. A calculation will be made to translate that number to hours of machine time, litres of gas saved, and emissions reduced.

Part B - Urban Forestry: Reduce Tree Trimming

What is the reason for the budget amendment?

The budget amendment will help alleviate tax levy pressures without significantly reducing service levels and frequencies of urban tree trimming in London. Proactive tree trimming is done to reduce the danger of hazard trees as well as “low limbing” along boulevards to help maintain sight lines and tree health. Hazard trees will still be able to be dealt with in a timely manner, but proactive trimming will be delayed without creating substantial tree health or resident health concerns.

Operating Budget Table (\$ Thousands)

Forestry Operations	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$4,357	\$4,760	\$4,792	\$4,822	\$18,731	\$28,932
Amendment	N/A	N/A	-\$100	-\$100	-\$200	-\$600
Amended Net Budget (Tax Levy)	\$4,357	\$4,760	\$4,692	\$4,722	\$18,531	\$28,332

Subject to rounding.

Additional Details

There will be no full-time staffing impact as staffing resources will be directed elsewhere to perform services that are currently contracted, slightly reducing contracted services. The amendment is driven by the need to reduce operating expenditures corporately and this service level reduction results in a minimal impact to residents or tree health. A reduction in proactive tree trimming results in a reduction in managing tree health and eliminating tree hazards. This will be mitigated through a thorough reprioritization of work to ensure hazard trees and tree health considerations factor into the scheduling of work.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

This amendment does not have an impact on the City of London’s net-zero greenhouse gas emissions targets.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

No, proactive tree trimming is important to the health of trees and reducing the damage that may occur through drought and/or severe storms. As such, there may be a slight negative impact in this regard.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Not applicable. This amendment does not have any significant climate-change related impacts that require consultation with stakeholders.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

This amendment does not have a significant impact on equity-deserving or other vulnerable groups.

- 2) What barriers or needs does this amendment address?

This amendment does not have a significant impact on specific barriers or needs.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

The positive impact with this amendment is a reduction to the budget.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

There are no anticipated significant negative impacts to equity-deserving groups.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Not applicable. This amendment did not have any significant impacts that required consultation with stakeholders.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

Yes, there is always a risk when approving a reduction of service level frequencies for maintenance activities. Staff will mitigate by reprioritization of service level frequencies.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

There have been no identified risks of not proceeding with this amendment.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

Staff will monitor the workload, tree health and long-term effects of this amendment and adjust accordingly within budget.

2022 Annual Budget Update

Budget Amendment # P-9

Strategic Area of Focus: Building a Sustainable City
 Strategy: London has a Strong and Healthy Environment
 Budget Amendment Type: New Council Direction
 Description: Continuation of the City’s Invasive Plant Species Management Strategy
 Service(s): Urban Forestry
 Lead: Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	\$0	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	\$0	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	0.00%	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	\$0	\$0	\$0.00 Average

Subject to rounding.

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

Continuation of the City’s Invasive Species Management Strategy

What is the reason for the budget amendment?

The City has a comprehensive Invasive Plant Species Management Strategy that has been actively addressing invasive plants across the City since 2018. To collectively address this issue, the Program is implemented by many Divisions within the Environment and Infrastructure Service Area – Parks Planning and Operations; Storm Water; Transportation; and Forestry; and in Planning and Development, who manage the City’s Environmentally Significant Areas.

To support an increase to the City’s efforts to control invasive species, Council last approved an additional year of funding in 2021 funded from the Urban Forestry Renewal Reserve Fund. Consistent with the Council-approved recommendation from the March 2021 report to the Community and Protective Services Committee on this matter, this business case is seeking an additional \$375 thousand per year for 2022, 2023 and 2024. The Urban Forestry Renewal Reserve Fund has sufficient funding to fund this request and continue progressing the City’s Invasive Plant Species Management Strategy.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Invasive Species Management	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – UF1001	\$350	\$375	\$0	\$0	\$725	\$0
Amendment	N/A	N/A	\$375	\$375	\$750	\$375
Amended Budget	\$350	\$375	\$375	\$375	\$1,475	\$375

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	\$0	\$0	\$0	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	-\$375	-\$375	-\$750	-\$375
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Tax Supported	N/A	N/A	\$0	\$0	\$0	\$0
Amended Budget	\$350	\$375	\$375	\$375	\$1,475	\$375

Subject to rounding.

Notes:

1. The reserve fund source of financing is the Urban Forestry Renewal Reserve Fund.
2. The 2030 and 2031 capital gross expenditures are both \$0.

Additional Details

In the March 30, 2021, Community and Protective Services Committee report that secured funding for 2021, Council approved the following recommendation: *Civic Administration BE DIRECTED to bring forward a budget amendment case during the 2022 Annual Budget Update to establish funding from 2022 to 2024 for the further continuation of the invasive species management program.*

As this is specialized work requiring unique expertise and licencing, and permits from the Province, all invasive species projects are contracted services.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

Yes – removal of invasive species allows native species to grow and flourish, for a healthier ecosystem and greener City.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

Yes, this work will ensure healthier ecosystems that are more resilient to climate changes.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Yes, the development of the Invasive Plant Species Strategy was supported by the Ontario Invasive Species Centre and endorsed by Environmental Policy and Planning Advisory Committee and the Trees and Forests Advisory Committee.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

This amendment does not have a significant impact on equity-deserving or other vulnerable groups.

- 2) What barriers or needs does this amendment address?

This amendment does not have a significant impact on specific barriers or needs.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

No significant socio-economic or equity impacts were identified.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

No significant negative anticipated impacts resulting from the amendment.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Not applicable. This amendment did not have any significant impacts that required consultation with stakeholders.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

There have been no identified risks of approving this amendment.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

Yes – The increase of invasive species harms the City's natural woodlands, parks and environmentally significant areas (ESAs). Invasives in City storm ponds can disrupt the planned water cleansing function and on our roads are blocking ditches and critical sight lines.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

The number of hectares of removals is to be tracked each year and part of the Strategic Plan reporting.

2022 Annual Budget Update

Budget Amendment # P-10

Strategic Area of Focus:	Building a Sustainable City
Strategy:	Implement the strategic program of road improvements identified in the Smart Moves Transportation Master Plan
Budget Amendment Type:	Cost Driver
Description:	Realignment and Adjustment of Capital Growth Project Budgets Part A: TS1496 Sunningdale Road; Part B: TS1629 Southdale Road; Part C: TS1355 Wharncliffe Road
Service(s):	Roadway Planning and Design
Lead:	Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	\$0	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	\$0	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	0.00%	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	\$0	\$0	\$0.00 Average

Subject to rounding.

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

Realignment and Adjustment of Capital Growth Project Budgets

Part A: TS1496 Sunningdale Road Project (TS1496, TS1496-3, TS1496-4, TS1496-5)

What is the reason for the budget amendment?

This is a large, complex project that has now progressed from the planning, environmental assessment phase into detailed engineering design. As the project design has progressed, better information is available to inform the required budget for this project. This includes additional costs for the relocation of a third-party oil pipeline required to accommodate the roadway improvements. The project includes changes to the profile of the roadway (lowering the roadway grades) to address existing safety issues which triggers the need for lowering of the pipeline. An existing culvert crossing at Sunningdale has also experienced extensive deterioration since it was originally assessed during the planning phase and now requires replacement and capacity improvements to accommodate future growth.

Staff will continue to work with the oil pipeline company through the final design stages and completion of an agreement to explore opportunities to find cost efficiencies in the relocation work.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Sunningdale Road Project - Aggregate	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1496, TS1496-3, TS1496-4, TS1496-5	\$0	\$300	\$1,150	\$25,676	\$27,126	\$26,316
Amendment	N/A	N/A	-\$326	\$5,117	\$4,791	\$4,241
Amended Budget	\$0	\$300	\$824	\$30,793	\$31,917	\$30,557

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	\$16	-\$428	-\$412	-\$297
Debenture (tax supported)	N/A	N/A	\$0	\$73	\$73	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	\$310	-\$4,762	-\$4,452	-\$3,944
Amended Budget	\$0	\$300	\$824	\$30,793	\$31,917	\$30,557

Subject to rounding.

Notes:

1. The non-tax supported source of financing is from the City Services Roads Reserve Fund (Development Charges and Reserve Fund Supported Debt).
2. The 2030 and 2031 capital gross expenditures are both \$0.

Additional Details

- August 31, 2021, Civic Works Committee, Outcome of Climate Lens Screening Applied to Major Transportation Projects

Part B: TS1629-1 Southdale Road West (Bostwick to Pine Valley)

What is the reason for the budget amendment?

This is a large, complex project that has now progressed from the planning, environmental assessment phase into detailed engineering design. As the project design has progressed, better information is available to inform the required budget for this project. This includes additional costs for property and for the relocation of provincial utility infrastructure to accommodate the roadway improvements. In addition, \$500 thousand of construction expenditures are being requested to be advanced from account TS1629-2 (in 2031) to TS1629-1 in order to better align the limits of these two adjoining projects and provide better coordination with the timing of development in the area.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Southdale Road West (Bostwick to Pine Valley)	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1629-1	\$423	\$317	\$3,369	\$290	\$4,399	\$0
Amendment	N/A	N/A	\$1,400	\$0	\$1,400	\$0
Amended Budget	\$423	\$317	\$4,769	\$290	\$5,799	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	-\$118	\$0	-\$118	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	-\$1,282	\$0	-\$1,282	\$0
Amended Budget	\$423	\$317	\$4,769	\$290	\$5,799	\$0

Subject to rounding.

Notes:

1. The non-tax supported source of financing is from the City Services Roads Reserve Fund (Development Charges).
2. The 2030 and 2031 capital gross expenditures are both \$0.
3. As noted the 2031 capital gross expenditure for TS1629-2 was reduced by \$500 thousand; leaving a budget of \$13.7 million.

Additional Details

- August 31, 2021, Civic Works Committee, Outcome of Climate Lens Screening Applied to Major Transportation Projects

Part C: TS1355-1 Wharnccliffe Road Grade Separation Project (Becher Street to Springbank)

What is the reason for the budget amendment?

As this project has progressed from the planning and environmental assessment stage, additional information is available to inform the required budget for this project. Additional effort and costs have also been incurred as a result of railway requirements and coordination. Increased costs associated with property and soil remediation have also been encountered.

Project timing is being reviewed to reflect complexities encountered with property acquisition and coordination of traffic impacts with other projects in the area.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Wharnccliffe Road – Becher Street to Springbank Drive	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget - TS1355-1	\$0	\$24,969	\$0	\$0	\$24,969	\$0
Cumulative Amendment	N/A	N/A	\$3,000	\$0	\$3,000	\$0
Amended Budget	\$0	\$24,969	\$3,000	\$0	\$27,969	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	-\$1,116	\$0	-\$1,116	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	-\$1,884	\$0	-\$1,884	\$0
Amended Budget	\$0	\$24,969	\$3,000	\$0	\$27,969	\$0

Subject to rounding.

Notes:

1. The non-tax supported source of financing is from the City Services Roads Reserve Fund (Development Charges).
2. The 2030 and 2031 capital gross expenditures are both \$0.

Additional Details

- August 31, 2021, Civic Works Committee, Outcome of Climate Lens Screening Applied to Major Transportation Projects

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

These projects have been reviewed as part of the Climate Emergency Action Plan screening tool and will provide a sustainable approach to provide a complete street cross-section to promote active transportation and transit use while reducing idling and congestion and improving safety.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

New infrastructure will be designed to provide improved resiliency over the existing conditions.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

The overall project has involved significant stakeholder consultation however there has been no targeted consultation with respect to this budget amendment.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

These projects will include the installation of sidewalks in accordance with city design standards and the London Plan and will be implemented to meet the latest accessibility requirements.

- 2) What barriers or needs does this amendment address?

Within this amendment each project will consider the need for sidewalks (new or rehabilitated), addressing accessibility requirements.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

New, or rehabilitated, sidewalks considered in these projects will have a positive impact on mobility and in general help address accessibility requirements. The impact could be low or high depending on whether a sidewalk currently exists in each project location (or segments of each roadway) and what condition it is currently in.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

This amendment will require support from other transportation program areas which will be managed through deferral of other work.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

The overall project has involved significant stakeholder consultation however there has been no targeted consultation with respect to this budget amendment.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

This amendment will require support from other transportation program areas which will be managed through deferral of other work.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

Not proceeding with this project will result in continuing traffic operations and safety concerns at these locations.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

Council approval of the tender award will be required for this capital project. Progress of these projects will also be monitored through the semi-annual capital budget monitoring process.

2022 Annual Budget Update

Budget Amendment # P-11

Strategic Area of Focus:	Building a Sustainable City
Strategy:	Complete Waste Disposal Strategy (including the Environmental Assessment for the expansion of the W12A Landfill)
Budget Amendment Type:	Cost Driver
Description:	Updates to estimated costs of development of long term disposal capacity for residual waste generated from residents and businesses in London
Service(s):	Garbage Collection and Disposal
Lead:	Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	\$0	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	\$0	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	0.00%	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	\$0	\$0	\$0.00 Average

Subject to rounding.

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

Development of long term disposal capacity for residual waste generated from residents and businesses in London

What is the reason for the budget amendment?

The estimated cost to construct the proposed expansion of the W12A Landfill site needs to be amended based on the final proposed expansion option identified in the Environmental Assessment process. It should be noted that the estimated total lifecycle cost to construct the proposed landfill expansion option is approximately \$8.1 million less than previously estimated, however the timing and amounts of funding within those years have changed.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Long Term Disposal Capacity	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – SW6080	\$0	\$0	\$1,000	\$15,000	\$16,000	\$8,000
Amendment	N/A	N/A	\$1,720	\$0	\$1,720	\$8,610
Amended Budget	\$0	\$0	\$2,720	\$15,000	\$17,720	\$16,610

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	\$0	\$0	\$0	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	\$0	\$3,280	\$3,280	-\$8,610
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Tax Supported ²	N/A	N/A	-\$1,720	-\$3,280	-\$5,000	\$0
Amended Budget	\$0	\$0	\$2,720	\$15,000	\$17,720	\$16,610

Subject to rounding.

Notes:

1. The reserve fund source of financing is from the Solid Waste Renewal Reserve Fund.
2. The non-tax supported source of financing is the Canada Community-Building Fund (Formerly Federal Gas Tax).
3. The 2030 capital gross expenditure is \$880,000.
4. The 2031 capital gross expenditure is \$2,550,000.
5. The future (2032 and beyond) anticipated costs of this project have been reduced by \$21,840,000 of tax supported debt financing (\$63,000,000 - \$41,160,000).

Additional Details

This amendment is required to fund construction of the proposed expansion of the existing W12A Landfill site in accordance with the final proposed expansion alternative identified in the Environmental Assessment. The proposed expansion of the W12A Landfill will provide long term disposal capacity for residual waste generated by businesses and residents of London and is aligned with Council's strategic area of focus in Building a Sustainable City. Overall, the proposed lifecycle cost to construct the expanded W12A Landfill site is less than originally estimated as the proposed and preferred expansion option (vertical expansion only) is less complex to construct in terms of engineered control features. Not proceeding with the proposed amendment presents the risk of not being able to provide residual waste disposal capacity for businesses and residents of London beyond the existing capacity of the W12A Landfill site.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

Yes. The capture, management and utilization of methane from the landfill gas generated at the existing and proposed expanded W12A Landfill is a component of reducing greenhouse gas emissions. This amendment was initially considered as part of the Climate Lens Process in a report submitted to the Civic Works Committee on August 31, 2021. Additional use of the Climate Lens process will occur on specific projects tied to this amendment.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

Yes. The potential effects from climate change impacts are an embedded and important component of the Environmental Assessment process. The preliminary design of the proposed expansion option for the W12A Landfill was developed and has incorporated appropriate engineering controls to provide resilience to extreme weather events.

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Yes. The Environmental Assessment (EA) process requires detailed stakeholder consultations including Indigenous Communities outside of London. The process requires stakeholder concerns to be heard, documented and appropriately addressed as part of the approval process. The EA process allows for numerous opportunities for questions, input and feedback. Engagement has been designed with various types of opportunities to provide comment.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

None. The design, construction and operation of a landfill site is undertaken to meet the disposal needs of all groups in London.

2) What barriers or needs does this amendment address?

This amendment does not have a significant impact on specific barriers or needs.

3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

Affordable and sustainable waste disposal capacity ensures that the least amount of taxpayer funds is required for this service allowing taxpayer funds to be allocated as Council decides.

4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

Since 2009, the City of London has had a comprehensive Community Enhancement and Mitigative Measures Program (CEMMP) to help minimize any negative impacts for neighbours living near the W12A Landfill. The CEMMP has been out for community engagement since November 2020 and will be the subject of discussion and next steps in the fall and winter of 2021 and 2022.

5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

Yes. The Environmental Assessment process requires detailed stakeholder consultations including Indigenous Communities outside of London. The process requires stakeholder concerns to be heard, documented and appropriately addressed as part of the approval process. The Environmental Assessment process allows for numerous opportunities for questions, input and feedback. Engagement has been designed with various types of opportunities to provide comment.

Governance Considerations:

1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

There have been no identified risks of approving this amendment.

2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

Yes. Not proceeding with the proposed amendment presents the risk of not being able to provide residual waste disposal capacity for businesses and residents of London beyond the existing capacity of the W12A Landfill site.

3) How will the progress, results and impacts of this amendment be monitored and communicated?

The proposed amendment will be monitored through the semi-annual capital monitoring process.

2022 Annual Budget Update

Budget Amendment # P-12

Strategic Area of Focus: Building A Sustainable City

Strategy: Advance sustainability and resiliency strategies.

Budget Amendment Type: Cost Driver

Description: Zero-Emission Bus (ZEB) Implementation Strategy: Business case for initial zero-emission bus implementation of 40-foot battery electric buses and battery chargers.

Service(s): London Transit Commission

Lead: Kelly Paleczny, General Manager, London Transit Commission

Budget Amendment Tax Levy Impact Table (\$ Thousands)

Tax Levy Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Tax Levy Impact	N/A	N/A	\$0	\$0	\$0
Annual Incremental Tax Levy Impact	N/A	N/A	\$0	\$0	\$0
Estimated Annual Tax Levy Impact %	N/A	N/A	0.00%	0.00%	0.00% Average
Estimated Annual Tax Payer Impact \$ ¹	N/A	N/A	\$0	\$0	\$0.00 Average

Subject to rounding.

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

Zero-Emission Bus Implementation Strategy: Business Case for Initial Zero-Emission Bus Implementation of 40 Foot Battery Electric Buses and Battery Chargers

What is the reason for the budget amendment?

London Transit is planning to begin the transition to a zero-emission bus fleet. The initial implementation step calls for London Transit to procure 10 battery electric buses and 7 chargers (3 overhead and 4 plug-in). This project will also require facilities work to upgrade the grid connection, install the required charging equipment, and retrofit facilities to accommodate the zero-emission buses.

Operating Budget (\$ Thousands)

Corporate Debt Servicing Costs	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget (Tax Levy)	\$37,560	\$35,945	\$33,559	\$33,244	\$140,308	\$212,724
Amendment	N/A	N/A	\$0	\$0	\$0	\$8,761
Amended Net Budget (Tax Levy)	\$37,560	\$35,945	\$33,559	\$33,244	\$140,308	\$221,485

Subject to rounding.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Zero Emission Bus Implementation Strategy	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – MU1101	\$0	\$0	\$0	\$0	\$0	\$0
Amendment	N/A	N/A	\$14,140	\$11,820	\$25,960	\$0
Amended Budget	\$0	\$0	\$14,140	\$11,820	\$25,960	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Levy	N/A	N/A	\$0	\$0	\$0	\$0
Debenture	N/A	N/A	-\$7,070	-\$5,910	-\$12,980	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Tax Supported ¹	N/A	N/A	-\$7,070	-\$5,910	-\$12,980	\$0
Amended Budget	\$0	\$0	\$14,140	\$11,820	\$25,960	\$0

Subject to rounding.

Notes:

1. The non-tax supported source of financing is anticipated to come from Infrastructure Canada’s Zero Emission Transit Fund (ZETF).
2. The 2030 and 2031 capital gross expenditures are both \$0.

Additional Details

On August 25, 2021, The London Transit Commission approved the initial steps of the Zero-Emission Bus Strategy, which involves the purchase of 10 40-foot battery (400 to 500 kilowatt hour) electric buses and seven chargers (3 overhead and 4 plug-in) and other required infrastructure. The Commission directed LTC staff to work with Civic Administration to develop a budget amendment for inclusion in the 2022 Budget Update. This strategy was developed with the support of Canadian Urban Transit Research and Innovative Consortium (CUTRIC). This initial project will allow London Transit Commission to gain the necessary experience and data to continue with the full fleet conversion to zero-emission buses. London Transit administration is also working with Canadian Urban Transit Research and Innovative Consortium for a joint procurement initiative. This procurement would see multiple transit agencies participate in a procurement for both the bus and charging infrastructure, resulting in a turn-key solution for the initial rollout. The estimated costs of this initial implementation are detailed in the chart below.

Capital Cost Estimates – Initial Zero-Emission Bus Implementation

ZEB Implementation Element	Units	Low	High
40’ Battery Electric Bus	10	\$ 8,000,000	\$ 11,100,000
High-powered Overhead Charging Equipment	3	870,000	2,160,000
Civil works for installation	N/A	522,000	1,300,000
Low-powered plug-in charging equipment	4	340,000	880,000
Facility works re: grid connection upgrade	N/A	100,000	10,000,000
Data collection and analytics through data loggers	N/A	520,000	520,000
Total	N/A	\$10,352,000	\$ 25,960,000

The above costs do not include any operating cost related to implementing this project such as staff training, which are anticipated to be funded through LTC’s approved operating budget. The other item that is not included in the estimates above is any land costs that may be associated with the installation of remote chargers along designated routes. At this early stage it is premature to determine which routes may be the first to be converted, and as such it is not possible to determine where the optimal locations for remote chargers may be. Recommendations for locations for remote charging infrastructure will be included in the final Zero-Emission Bus Implementation Strategy. The full strategy, inclusive of total financial impacts, is scheduled to be available in the first quarter of 2022, noting that electric

buses currently have a 12 to 18 month purchasing lead time. Furthermore, the initial implementation will need to be analyzed before the full strategy for optimal routes and charging locations can be finalized.

Overall, the project will reduce reliance on fossil fuels and help the City of London reach its net-zero greenhouse gas emission by 2050 target.

Link below to Staff Report #3 – Zero-Emission Bus Implementation Strategy Update on August 25, 2021.

<https://www.londontransit.ca/staff-report-3-zero-emission-bus-implementation-strategy-update-2/>

Zero-Emission Bus Implementation Funding

On August 10, 2021, the Federal government announced a \$2.75 billion Zero Emission Transit Fund (ZETF) through Infrastructure Canada. This is a five-year program of grants to help communities purchase 5,000 zero emission public transit and school buses, including charging and refueling infrastructure, studies, modelling, and feasibility analysis. The ZETF provides up to 50% of eligible costs. This program builds on the previously announced program from the Canada Infrastructure Bank to provide flexible loan solutions through its \$1.5 billion Zero Emission Bus Initiative. These two programs will be coordinated, but there will be a requirement to work with the Canadian Infrastructure Bank on a loan prior to being eligible for a grant through Infrastructure Canada. Further clarification on the Zero Emission Transit Fund is pending. Currently, this combination of programs is London's first choice for supporting the Zero-Emission Bus Initial Implementation.

Other funding options were reviewed but put on hold pending further information on the above programs. Through the Investing in Canada Infrastructure Program (ICIP) – Public Transit Stream (PTS), London was approved for \$25.2 million to purchase 31 diesel buses for expansion of LTC service. One option is to request that the remaining funding, noting that some expansion buses have already been purchased, be used for electric buses instead. It should also be noted that this funding could not be used for charging infrastructure. This option would result in fewer buses overall because of the additional cost of electric buses, which would divert buses slated for expansion to replacement buses. This alternative would also require a revision to the Transfer Payment Agreement already approved for the PTS program.

Another option is to apply for additional funding through Intake 3 of the ICIP – PTS program which is open for applications until March 2024. Currently, there is \$40 million of funding that was previously allocated to London through ICIP but not yet approved, but there is no certainty that this funding is still available. Other options for this funding include additional active transportation projects currently planned for London but not yet funded.

Once further details are known regarding the ZETF and related Canada Infrastructure Bank program, Civic Administration will re-assess funding options to determine whether that remains the most advantageous funding approach.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

While LTC's emissions are not directly included in the achievement of the Corporation of the City of London's net-zero greenhouse gas emissions target, they are a significant component of community greenhouse gas emissions. Pre-COVID (2019), the LTC fleet used over 7.3 million litres of diesel fuel per year, with associated GHG emissions of 19,900 tonnes per year. The impacts of LTC's conversion from diesel to electric buses will positively impact these results. The extent of the impact will be better known once the full implementation plan is developed.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

No, however given the increased reliance on electricity in order to continue to deliver transit service, contingencies are being incorporated into the overall Strategy (e.g. generators and energy storage units that could be used in the event of power failures).

- 3) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

Yes, Canadian Urban Transit Research and Innovative Consortium has developed and recommended implementation of this zero-emission bus project and London Transit Commission will continue to work with Canadian Urban Transit Research and Innovative Consortium during the procurement phase. A staff report on this project was also presented to London Transit Commission.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

This amendment does not have a significant impact on equity-deserving or other vulnerable groups.

- 2) What barriers or needs does this amendment address?

This amendment does not have a significant impact on specific barriers or needs.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

There are no significant socio-economic equity impacts from this amendment.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

There are no significant negative anticipated impacts resulting from this amendment.

- 5) Have you consulted with relevant stakeholders (e.g. advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

This amendment did not have any significant impacts that required consultation with stakeholders.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

A significant risk relates to securing the required funding from Infrastructure Canada's Zero-Emission Transit Fund. The program is designed to provide 50% of the funding for electric bus programs, but uptake on the program will be significant. Civic Administration is considering other sources of funding if this program cannot be accessed.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

It will not allow London Transit to convert its fleet to electric buses that are key to reducing greenhouse gas emissions.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

Staff at London Transit Commission is working closely with Canadian Urban Transit Research and Innovative Consortium and a staff report for final Zero-Based Bus Implementation Strategy will be presented to the Commission in February 2022 meeting.

2022 Annual Budget Update

Budget Amendment # W-1

Strategic Area of Focus: Building a Sustainable City

Strategy: Prioritize Investment in Assets to Implement the Asset Management Plan

Budget Amendment Type: Cost Driver

Description: Schedule Changes for Water Lifecycle Renewal Projects
Part A: Sunningdale Road Watermain Replacement – Richmond Street to Adelaide Street
Part B: Trunk Watermain Valve Chambers

Service(s): Water

Lead: Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Rate Impact Table (\$ Thousands)

Rate Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Rate Impact	N/A	N/A	\$0	\$0	\$0
Annual Incremental Rate Impact	N/A	N/A	\$0	\$0	\$0
Estimated Annual Rate Impact %	N/A	N/A	0.00%	0.00%	0.00% Average
Estimated Annual Rate Payer Impact \$	N/A	N/A	\$0	\$0	\$0.00 Average

Subject to rounding.

What is the reason for the budget amendment?

A schedule change to defer the projects in parts A and B of this amendment is needed to align these works with the timing of the Transportation Sunningdale Road Widening project. The budgets for these projects are proposed to be deferred from 2022 to 2023, to align them with the timing of the Transportation project scheduled for construction in 2023.

Part A: Schedule Change for Sunningdale Road Watermain Replacement – Richmond Street to Adelaide Street

Capital Budget Expenditure Amendment Table (\$ Thousands)

Sunningdale Road Watermain Replacement – Richmond Street to Adelaide Street	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3577	\$0	\$51	\$682	\$0	\$733	\$766
Amendment	N/A	N/A	-\$682	\$682	\$0	\$0
Amended Budget	\$0	\$51	\$0	\$682	\$733	\$766

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	\$0	\$0	\$0	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	\$682	-\$682	\$0	\$0
Amended Budget	\$0	\$51	\$0	\$682	\$733	\$766

Subject to rounding.

Notes:

1. The non-rate supported source of financing is the Canada Community-Building Fund (Formerly Federal Gas Tax).
2. The 2030 and 2031 capital gross expenditures are both \$0.

Part B: Schedule Change for Trunk Watermain Valve Chambers

Capital Budget Expenditure Amendment Table (\$ Thousands)

Trunk Watermain Valve Chambers	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3708	\$400	\$0	\$524	\$0	\$924	\$0
Amendment	N/A	N/A	-\$524	\$524	\$0	\$0
Amended Budget	\$400	\$0	\$0	\$524	\$924	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	\$524	-\$524	\$0	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Rate Supported	N/A	N/A	\$0	\$0	\$0	\$0
Amended Budget	\$400	\$0	\$0	\$524	\$924	\$0

Subject to rounding.

Notes:

1. The 2030 and 2031 capital gross expenditures are both \$0.

Additional Details

Aligning the timing of different infrastructure needs in a location is to the financial advantage of the City as the restoration costs are shared. It is also socially advantageous for the public, as it causes less construction disruption with lane and road closures. This amendment will solely align the budget for these two projects with the planned construction year of the Transportation Sunningdale Road Widening project.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

No, this amendment is intended to defer these projects by one year, accordingly, this change will not have a net effect on greenhouse gas emissions.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

No, this amendment will solely defer planned projects by one year, and this change will not have a net effect on resilience to extreme weather events or any climate change-related impacts.

- 3) Have you consulted with relevant stakeholders (e.g., advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

No, relevant stakeholders have not been consulted in the development of this budget amendment, as this amendment will not have environmental or climate change impacts.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

This budget amendment should not have an impact on any equity-deserving and other vulnerable groups.

- 2) What barriers or needs does this amendment address?

This amendment does not address any barriers or needs.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

There are no socio-economic equity impacts anticipated resulting from this amendment

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

There are no socio-economic equity impacts anticipated resulting from this amendment

- 5) Have you consulted with relevant stakeholders (e.g., advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

No stakeholders have been consulted with respect to this amendment, as there are no anticipated socio-economic equity impacts.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

No, there are no risks of approving this amendment, as Transportation has planned the construction work for the Sunningdale Road Widening project to commence in 2023.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

There are no risks of not proceeding with this amendment. If this amendment is not approved, funding will be committed to this project and not utilized until the Sunningdale Road Widening project proceeds in 2023.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

Water has been participating in the design of the Transportation Sunningdale Road Widening project, and through that process, will be kept informed of any changes to timing or impacts on our proposed works. Any potential future changes to budget timing will be communicated through budget amendments. The final award of the work will be communicated as required by the Procurement of Goods and Services Policy.

2022 Annual Budget Update

Budget Amendment # W-2

Strategic Area of Focus: Building a Sustainable City

Strategy: Continue annual reviews of growth infrastructure plans to balance development needs with available funding.

Budget Amendment Type: Cost Driver

Description: Schedule Changes for Water Growth Projects
 Part A: Arva Pumping Station Upgrade
 Part B: Wonderland Road Watermain – Commissioners to Viscount
 Part C: Medway Watermain (A1) – Arva Pumping Station to Wonderland Road
 Part D: Wonderland Watermain (A2) – Medway Road to City Limit
 Part E: Wonderland Watermain (A3) – City Limit to Sunningdale Road

Service(s): Water

Lead: Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Rate Impact Table (\$ Thousands)

Rate Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Rate Impact	N/A	N/A	\$0	\$0	\$0
Annual Incremental Rate Impact	N/A	N/A	\$0	\$0	\$0
Estimated Annual Rate Impact %	N/A	N/A	0.00%	0.00%	0.00% Average
Estimated Annual Rate Payer Impact \$	N/A	N/A	\$0	\$0	\$0.00 Average

Subject to rounding.

What is the reason for the budget amendment?

The need, scope, and timing of the projects in parts A through E of this budget amendment are under review as part of a servicing study that is expected to be completed in 2022. This amendment will allow this study to confirm if these projects and their current scopes are appropriate, in the City's best interests, and that the timing aligns with the projected needs for future residential, institutional, commercial, and industrial growth.

Part A: Arva Pumping Station Upgrade

Capital Budget Expenditure Amendment Table (\$ Thousands)

Arva Pumping Station Upgrade	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3654	\$0	\$340	\$3,133	\$0	\$3,473	\$0
Amendment	N/A	N/A	-\$3,133	\$3,133	\$0	\$0
Amended Budget	\$0	\$340	\$0	\$3,133	\$3,473	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	\$0	\$0	\$0	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	\$1,566	-\$1,566	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Rate Supported ²	N/A	N/A	\$1,567	-\$1,567	\$0	\$0
Amended Budget	\$0	\$340	\$0	\$3,133	\$3,473	\$0

Subject to rounding.

Notes:

1. The reserve fund source of financing is the Water Works Renewal Reserve Fund.
2. The non-rate supported source of financing is the City Services Water Reserve Fund.
3. The 2030 and 2031 capital gross expenditures are both \$0.

Part B: Wonderland Road Watermain – Commissioners to Viscount

Capital Budget Expenditure Amendment Table (\$ Thousands)

Wonderland Road Watermain – Commissioners to Viscount	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3658	\$108	\$0	\$2,836	\$0	\$2,944	\$0
Amendment	N/A	N/A	-\$2,836	\$2,836	\$0	\$0
Amended Budget	\$108	\$0	\$0	\$2,836	\$2,944	\$0

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	\$0	\$0	\$0	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	\$2,836	-\$2,836	\$0	\$0
Amended Budget	\$108	\$0	\$0	\$2,836	\$2,944	\$0

Subject to rounding.

Notes:

1. The non-rate supported source of financing is the City Services Water Reserve Fund.
2. The 2030 and 2031 capital gross expenditures are both \$0.

Part C: Medway Watermain (A1) – Arva Pumping Station to Wonderland Road

Capital Budget Expenditure Amendment Table (\$ Thousands)

Medway Watermain (A1) – Arva Pumping Station to Wonderland Road	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3692	\$0	\$0	\$572	\$0	\$572	\$5,397
Amendment	N/A	N/A	-\$572	\$572	\$0	\$0
Amended Budget	\$0	\$0	\$0	\$572	\$572	\$5,397

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	\$0	\$0	\$0	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	\$572	-\$572	\$0	\$0
Amended Budget	\$0	\$0	\$0	\$572	\$572	\$5,397

Subject to rounding.

Notes:

1. The non-rate supported source of financing is the City Services Water Reserve Fund.
2. The 2030 and 2031 capital gross expenditures are both \$0.

Part D: Wonderland Watermain (A2) – Medway Road to City Limit

Capital Budget Expenditure Amendment Table (\$ Thousands)

Wonderland Watermain (A2) – Medway Road to City Limit	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3789	\$0	\$0	\$571	\$0	\$571	\$5,391
Amendment	N/A	N/A	-\$571	\$571	\$0	\$0
Amended Budget	\$0	\$0	\$0	\$571	\$571	\$5,391

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	\$0	\$0	\$0	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	\$571	-\$571	\$0	\$0
Amended Budget	\$0	\$0	\$0	\$571	\$571	\$5,391

Subject to rounding.

Notes:

1. The non-rate supported source of financing is the City Services Water Reserve Fund.
2. The 2030 and 2031 capital gross expenditures are both \$0.

Part E: Wonderland Watermain (A3) – City Limit to Sunningdale Road

Capital Budget Expenditure Amendment Table (\$ Thousands)

Wonderland Watermain (A3) – City Limit to Sunningdale Road	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – EW3790	\$0	\$0	\$502	\$0	\$502	\$4,735
Amendment	N/A	N/A	-\$502	\$502	\$0	\$0
Amended Budget	\$0	\$0	\$0	\$502	\$502	\$4,735

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	\$0	\$0	\$0	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund	N/A	N/A	\$0	\$0	\$0	\$0
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Rate Supported ¹	N/A	N/A	\$502	-\$502	\$0	\$0
Amended Budget	\$0	\$0	\$0	\$502	\$502	\$4,735

Subject to rounding.

Notes:

1. The non-rate supported source of financing is the City Services Water Reserve Fund.
2. The 2030 and 2031 capital gross expenditures are both \$0.

Additional Details

These projects were initially justified and scheduled as part of growth studies completed on the City’s water system many years ago. Since then, much has changed including water demand patterns, growth patterns, and increased water efficiency. A major growth study to assess these changes, and the impact on our water system is expected to be complete in 2022. This study will determine the scope and timing of these projects, and if there is a need for them. Constructing these works without the information from that study would risk limited funds being spent on projects that may not be required, while reducing available funding for other projects that are needed. This aligns with the Strategic Plan strategy to “Continue annual reviews of growth infrastructure plans to balance development needs with available funding.”

It should be noted that while these are growth projects, they are intended to address impacts of growth to the wider water network, and as such, no developments will be delayed by deferring these projects.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

The construction of each of these projects will generate greenhouse gas emissions. By ensuring that we are only constructing works that are needed for our system, we are minimizing our greenhouse gas emissions. However, until the servicing study is complete, it is unknown whether there will be a net reduction in emissions.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

No, this amendment will not help the City of London increase resilience to extreme weather event or any other climate change-related impacts. These projects are planned to provide increased capacity and servicing for anticipated growth, they are not intended to increase resilience to climate change.

- 3) Have you consulted with relevant stakeholders (e.g., advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

No, relevant stakeholders have not been consulted in the development of this budget amendment, as it is not anticipated to have a significant environmental impact.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

This budget amendment should not have an impact on any equity-deserving and other vulnerable groups.

- 2) What barriers or needs does this amendment address?

This amendment does not address any barriers or needs.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

There are no socio-economic equity impacts anticipated resulting from this amendment.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

There are no socio-economic equity impacts anticipated resulting from this amendment.

- 5) Have you consulted with relevant stakeholders (e.g., advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

No stakeholders have been consulted with respect to this amendment, as there are no anticipated socio-economic equity impacts.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

No, there are no risks of approving this amendment, as these projects are being proposed to be deferred one year, pending the anticipated completion of the servicing study in 2022.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

Yes, there are risks of not proceeding with this amendment. Constructing these works without the information from the servicing study would risk limited funds being spent on projects that may not be needed while reducing the funds available for other projects that are needed. This could be mitigated by not moving forward with the construction even though the budget is available.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

The study will recommend that these projects are either needed in the near term, needed further into the future, not needed at all, and/or needed with a different scope (larger pipe, smaller pipe, etc.). These recommendations will be used to inform future Development Charges studies, and future budgets, both of which are reported to Council.

2022 Annual Budget Update

Budget Amendment # WWT-1

Strategic Area of Focus: Building a Sustainable City

Strategy: Work with multi-sectors to finalize the Climate Change/Severe Weather Adaptation Strategy for London's built infrastructure.

Budget Amendment Type: Cost or Revenue Driver

Description: Reduce the Energy Budget at Greenway Wastewater Treatment Plant due to energy cost savings; anticipated savings to fund capital program for Sewage Bypass and Overflow Elimination.

Part A: Reduce Energy Budget at Greenway Wastewater Treatment Plant

Part B: Create Dedicated Program for Sewage Bypass and Overflow Elimination

Service(s): Wastewater Treatment Operations

Lead: Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Budget Amendment Rate Impact Table (\$ Thousands)

Rate Impact Detail	2020	2021	2022	2023	2020 to 2023 Total
Annual Rate Impact	N/A	N/A	\$0	\$0	\$0
Annual Incremental Rate Impact	N/A	N/A	\$0	\$0	\$0
Estimated Annual Rate Impact %	N/A	N/A	0.00%	0.00%	0.00% Average
Estimated Annual Rate Impact \$	N/A	N/A	\$0	\$0	\$0.00 Average

Subject to rounding.

Part A: Reduce Energy Budget at Greenway Wastewater Treatment Plant

What is the reason for the budget amendment?

Civic Administration undertook zero-based reviews to determine where there was strong potential for operational savings based on prior years' results. As part of this review, Wastewater Treatment Operations identified significant savings in energy costs over the past few years. These savings are a result of various initiatives taken at Greenway Wastewater Treatment Plant (Greenway), which have created significant reductions in electrical consumption, and accordingly, savings in energy costs. Some of these initiatives include the installation of energy efficient turbo blowers, participation in London Hydro's Industrial Conservation Initiative, and the Organic Rankine Cycle power generation system. It is anticipated that energy savings will continue to grow over the coming years. As a result, it is being recommended to bring forward a budget amendment to reduce the energy budget at Greenway and use the savings to fund priority capital works. This would be a permanent reduction to the energy budget and would be offset by an increase to the contribution to the reserve fund to finance recommended capital works.

Operating Budget Table (\$ Thousands)

Wastewater Treatment Operations Energy Costs	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget	\$3,120	\$3,035	\$3,066	\$3,081	\$12,302	\$19,824
Amendment	N/A	N/A	-\$700	-\$717	-\$1,417	-\$4,679
Amended Net Budget	\$3,120	\$3,035	\$2,366	\$2,364	\$10,885	\$15,145

Subject to rounding.

Operating Budget Table (\$ Thousands)

Wastewater Treatment Operations Reserve Fund Transfer	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Net Budget	\$27,919	\$30,379	\$35,779	\$39,046	\$133,123	\$251,233
Amendment	N/A	N/A	\$700	\$717	\$1,417	\$4,679
Amended Net Budget	\$27,919	\$30,379	\$36,479	\$39,763	\$134,540	\$255,912

Subject to rounding.

Part B: Create Dedicated Program for Sewage Bypass and Overflow Elimination

What is the reason for the budget amendment?

The reduction of overflows and bypasses from the City of London’s wastewater facilities has been identified as a corporate priority. The creation of a long-term program to fund projects to reduce and eliminate overflows and bypasses in the wastewater system will provide funding to react more quickly to opportunities to achieve those reductions. The program will fund small and medium size standalone projects, as well as bypass and overflow elimination components of larger wastewater projects. This aligns with the Strategic Plan strategy to “work with multi-sectors to finalize the Climate Change/Severe Weather Adaptation Strategy for London’s built infrastructure”.

Capital Budget Expenditure Amendment Table (\$ Thousands)

Sewage Bypass and Overflow Elimination	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Previously Approved Budget – ES2456	\$0	\$0	\$0	\$0	\$0	\$0
Amendment	N/A	N/A	\$700	\$717	\$1,417	\$4,679
Amended Budget	\$0	\$0	\$700	\$717	\$1,417	\$4,679

Capital Budget Source of Financing Amendment Table (\$ Thousands)

Source of Financing Type	2020	2021	2022	2023	2020 to 2023 Total	2024 to 2029 Total
Capital Rate	N/A	N/A	\$0	\$0	\$0	\$0
Debenture	N/A	N/A	\$0	\$0	\$0	\$0
Reserve Fund ¹	N/A	N/A	-\$700	-\$717	-\$1,417	-\$4,679
Other	N/A	N/A	\$0	\$0	\$0	\$0
Non-Rate Supported	N/A	N/A	\$0	\$0	\$0	\$0
Amended Budget	\$0	\$0	\$700	\$717	\$1,417	\$4,679

Subject to rounding.

Notes:

1. The reserve fund source of financing is the Sewage Works Renewal Reserve Fund.
2. The 2030 capital gross expenditure is \$847,000.
3. The 2031 capital gross expenditure is \$867,000.

Additional Details

London's wastewater treatment plants and pumping stations are one of the City's highest energy consumers. The Environment and Infrastructure Service Area has aggressively pursued multiple initiatives to reduce energy consumption and energy costs over the last several years. The success of these initiatives has led to lower annual energy costs leading to several annual budget surpluses.

The City's wastewater system is also the source of periodic discharges of untreated and partially treated wastewater to the Thames River and Dingman Creek. This well-reported activity has resulted in a key corporate priority: to reduce or eliminate overflow and bypass activity as part of the City's environmental stewardship. This priority is reflected in Strategic Plan 2019 to 2023 targets related to the reduction in raw sewage overflows experienced, as well as an increase in the ability to treat wet weather flows. Projects funded by the proposed Sewage Bypass and Overflow Elimination capital program would contribute directly to these targets.

Environmental, Social and Governance (ESG) Considerations

Environmental – Climate Change Considerations:

- 1) Will this amendment help the City of London reach its net-zero greenhouse gas emissions by 2050 target?

No, this amendment will not help the City of London reach its net-zero greenhouse gas emissions by 2050 target. However, the Wastewater Treatment Operations area will continue exploring opportunities for further energy efficiency enhancements.

- 2) Will this amendment help the City of London increase resilience to extreme weather events or any other climate change-related impacts?

Yes, increased ability to treat wet weather flows increases the ability of City infrastructure to continue to provide full treatment during extreme weather events.

- 3) Have you consulted with relevant stakeholders (e.g., advisory committees, community groups, subject matter experts, etc.) in the development of this budget amendment?

No, the changes are being made to reflect operational savings already realized and reflect priorities made clear to Civic Administration through previous consultations and projects, as well as the City's 2019 to 2023 Strategic Plan.

Socio-economic Equity Impact Considerations:

- 1) What specific equity-deserving and other vulnerable groups are potentially affected by this amendment?

This budget amendment should not have an impact on any equity-deserving and other vulnerable groups.

- 2) What barriers or needs does this amendment address?

This amendment does not address any barriers or needs.

- 3) What are the positive anticipated impacts resulting from this amendment and what is the level of those impacts (high, medium, low)?

There are no socio-economic equity impacts anticipated resulting from this amendment.

- 4) Are there any negative anticipated impacts resulting from this amendment and what has been done to minimize or eliminate those impacts?

No, Wastewater is rate-supported, therefore amendments to the operating and capital budgets do not displace any funds that could be allocated to equity impact considerations.

- 5) Have you consulted with relevant stakeholders (e.g., advisory committees, community groups, subject matter experts, individuals with lived experience, etc.) in the development of this budget amendment?

No stakeholders have been consulted with respect to this amendment, as there are no anticipated socio-economic equity impacts.

Governance Considerations:

- 1) Are there any risks of approving this amendment? How will those risks be managed/mitigated?

Yes, electricity pricing is expected to increase in the future, therefore, reducing the budget for utility costs introduces a risk that future budgets are insufficient. In addition, the Industrial Conservation Initiative could be discontinued, placing further pressure on this budget. However, utility prices are not expected to be so volatile that adjustments cannot be made through the current Multi-Year Budget process to accommodate future changes, if experienced.

- 2) Are there any risks of not proceeding with this amendment? How will those risks be managed/mitigated?

Yes, Council has identified the elimination of overflows and bypasses as a corporate priority. Without proceeding with this amendment, current planned capital projects could need to be displaced to fund overflow and bypass mitigation projects.

- 3) How will the progress, results and impacts of this amendment be monitored and communicated?

The creation of a dedicated overflow and bypass capital program will create transparency with how funds are spent, specifically for overflow and bypass reduction, noting that those improvements may also be funded in part by other capital projects.

Appendix A - Operating Budget Overview

2022 Annual Update – Operating Net Budget Overview (\$ Thousands)

Operating Budget	2020 Tax Levy Revenue	2021 Tax Levy Revenue	2022 Tax Levy Revenue	2023 Tax Levy Revenue	2020 to 2023 Average % Increase
Previously Approved % Increase From Rates ¹	4.4%	3.4%	3.8%	3.4%	3.8%
Previously Approved Budget	642,901	673,581	699,372	723,382	
Amendment ²			-7,087	-3,885	
Amended Budget	642,901	673,581	692,284	719,498	
Amended % Increase From Rates	4.4%	3.4%	2.8%	3.9%	3.6%

Subject to rounding.

Notes

1. Previously approved rates are recalculated taking into account assessment growth impact in each annual update year of the Multi-Year Budget period.
2. Amendment reflects impacts of all budget amendments as applicable.

2022 Annual Update – Gross Operating Expenditure and Non-Tax Levy Revenue Budget Overview (\$ Thousands)

Operating Budget	2020 Expenditure	2020 Non-Tax Levy Revenue	2021 Expenditure	2021 Non-Tax Levy Revenue	2022 Expenditure	2022 Non-Tax Levy Revenue	2023 Expenditure	2023 Non-Tax Levy Revenue
Previously Approved Budget	1,007,784	364,883	1,041,639	368,058	1,069,086	369,714	1,092,031	368,648
Amendment ¹					-5,131	1,956	-2,778	1,106
Amended Budget	1,007,784	364,883	1,041,639	368,058	1,063,955	371,670	1,089,252	369,755

Subject to rounding.

Notes

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

2020 Operating Budget Overview (\$ Thousands)

2020 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Culture	27,204	1,332	25,872
Economic Prosperity	14,560	3,450	11,110
Environmental Services	37,632	14,289	23,343
Parks, Recreation & Neighbourhood Services	110,629	71,569	39,059
Planning & Development Services	19,703	10,438	9,266
Protective Services	200,959	13,287	187,672
Social & Health Services	258,562	179,814	78,748
Transportation Services	96,485	14,080	82,405
Corporate, Operational & Council Services	83,634	14,763	68,871
Financial Management	158,416	41,862	116,554
Total	1,007,784	364,883	642,901

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.

2021 Operating Budget Overview (\$ Thousands)

2021 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Culture	27,093	657	26,436
Economic Prosperity	12,290	1,450	10,840
Environmental Services	41,130	14,479	26,651
Parks, Recreation & Neighbourhood Services	112,995	72,791	40,204
Planning & Development Services	21,600	12,177	9,423
Protective Services	208,044	13,899	194,144
Social & Health Services	262,777	180,248	82,529
Transportation Services	102,995	16,048	86,947
Corporate, Operational & Council Services	87,364	15,354	72,009
Financial Management	165,352	40,955	124,397
Total	1,041,639	368,058	673,581

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.

2022 Operating Budget Overview (\$ Thousands)

2022 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Culture	27,515	657	26,858	27,509	657	26,852
Economic Prosperity	10,785	350	10,435	11,635	1,200	10,435
Environmental Services	45,080	14,963	30,117	44,650	15,263	29,387
Parks, Recreation & Neighbourhood Services	115,759	73,546	42,212	113,446	73,704	39,742
Planning & Development Services	21,373	12,008	9,366	21,373	12,008	9,366
Protective Services	212,891	14,058	198,833	212,885	14,058	198,827
Social & Health Services	268,074	180,103	87,971	267,367	180,001	87,366
Transportation Services	103,630	15,533	88,097	103,508	15,633	87,875
Corporate, Operational & Council Services	90,436	17,305	73,131	90,049	17,485	72,564
Financial Management	173,542	41,191	132,352	171,532	41,660	129,871
Total	1,069,086	369,714	699,372	1,063,955	371,670	692,284

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.
2. Amended Budget reflects impacts of budget amendments as applicable.

2023 Operating Budget Overview (\$ Thousands)

2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Culture	27,944	657	27,287	27,938	657	27,281
Economic Prosperity	10,366	350	10,016	10,366	350	10,016
Environmental Services	47,046	15,390	31,656	47,046	15,690	31,356
Parks, Recreation & Neighbourhood Services	116,291	73,699	42,592	115,609	73,857	41,751
Planning & Development Services	21,560	12,232	9,328	21,560	12,232	9,328
Protective Services	216,461	13,872	202,589	216,455	13,872	202,583
Social & Health Services	271,511	179,255	92,257	271,948	179,153	92,795
Transportation Services	105,908	15,611	90,297	105,786	15,711	90,075
Corporate, Operational & Council Services	89,994	16,153	73,841	89,607	16,334	73,273
Financial Management	184,950	41,429	143,520	182,939	41,899	141,040
Total	1,092,031	368,648	723,382	1,089,252	369,755	719,498

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.
2. Amended Budget reflects impacts of budget amendments as applicable.

2020 to 2023 Operating Budget Overview (\$ Thousands)

2020 to 2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue	Average Daily Tax Payer Impact (\$)
Culture	109,755	3,303	106,452	109,743	3,303	106,440	0.32
Economic Prosperity	48,001	5,600	42,401	48,851	6,450	42,401	0.14
Environmental Services	170,888	59,121	111,767	170,458	59,721	110,737	0.34
Parks, Recreation & Neighbourhood Services	455,673	291,606	164,067	452,678	291,922	160,756	0.51
Planning & Development Services	84,237	46,854	37,383	84,237	46,854	37,383	0.12
Protective Services	838,355	55,117	783,238	838,343	55,117	783,226	2.44
Social & Health Services	1,060,924	719,419	341,505	1,060,654	719,215	341,439	1.08
Transportation Services	409,018	61,271	347,747	408,774	61,471	347,302	1.08
Corporate, Operational & Council Services	351,428	63,575	287,853	350,654	63,936	286,718	0.90
Financial Management	682,259	165,436	516,823	678,238	166,376	511,862	1.60
Total	4,210,539	1,471,303	2,739,236	4,202,630	1,474,366	2,728,264	8.53

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.
2. Amended Budget reflects impacts of budget amendments as applicable.

2020 Operating Budget Detail by Service Grouping (\$ Thousands)

2020 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Centennial Hall	848	657	191
Arts, Culture & Heritage Advisory & Funding	2,527	75	2,452
Museum London	1,821	0	1,821
Eldon House	295	0	295
Heritage	199	0	199
Library Services	21,513	600	20,913
Total Culture	27,204	1,332	25,872
Economic Development	8,022	0	8,022
Community Improvement / Business Improvement Areas	3,834	3,450	384
RBC Place London	648	0	648
Tourism & Sports Attraction	2,056	0	2,056
Covent Garden Market	0	0	0
Total Economic Prosperity	14,560	3,450	11,110
Kettle Creek Conservation Authority	223	0	223
Lower Thames Valley Conservation Authority	68	0	68
Upper Thames River Conservation Authority	1,568	0	1,568
Environmental Action Programs & Reporting	1,072	128	945
Garbage, Recycling & Composting	34,700	14,161	20,539
Total Environmental Services	37,632	14,289	23,343
Neighbourhood & Recreation Services	96,200	71,513	24,687
Parks & Urban Forestry	14,429	56	14,373
Total Parks, Recreation & Neighbourhood Services	110,629	71,569	39,059

2020 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Building Approvals	6,773	7,201	-428
Planning Services	5,033	539	4,494
Development Services	7,897	2,698	5,199
Total Planning & Development Services	19,703	10,438	9,266
Animal Services	3,081	1,269	1,812
By-Law Enforcement & Property Standards	4,713	3,070	1,643
Corporate Security & Emergency Management	3,227	64	3,163
Fire Services	65,690	315	65,375
London Police Services	124,247	8,569	115,678
Total Protective Services	200,959	13,287	187,672
Housing Services	23,418	12,309	11,108
Housing Development Corporation	2,843	0	2,843
London & Middlesex Community Housing	12,389	0	12,389
Long Term Care	24,581	18,830	5,751
Land Ambulance	18,943	0	18,943
Middlesex-London Health Unit	6,705	0	6,705
Social & Community Support Services	169,683	148,674	21,009
Total Social & Health Services	258,562	179,814	78,748
Parking	3,478	7,120	-3,642
London Transit Commission	38,089	0	38,089
Roadways	54,839	6,880	47,959
Rapid Transit	80	80	0
Total Transportation Services	96,485	14,080	82,405

2020 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Corporate Services	65,611	5,704	59,907
Corporate Planning & Administration	2,206	22	2,184
Council Services	4,094	130	3,965
Public Support Services	11,723	8,907	2,816
Total Corporate, Operational and Council Services	83,634	14,763	68,871
Capital Financing - Capital Levy	48,262	0	48,262
Capital Financing - Debt Servicing	37,560	0	37,560
Capital Financing - Contribution to Capital Reserve Funds	31,794	0	31,794
Other Related Financing - Contingencies	4,962	0	4,962
Other Related Financing - Other Corporate Revenues & Expenditures	26,558	39,583	-13,025
Finance	9,279	2,279	7,000
Total Financial Management	158,416	41,862	116,554

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.

2021 Operating Budget Detail by Service Grouping (\$ Thousands)

2021 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Centennial Hall	848	657	191
Arts, Culture & Heritage Advisory & Funding	2,495	0	2,495
Museum London	1,852	0	1,852
Eldon House	299	0	299
Heritage	208	0	208
Library Services	21,392	0	21,392
Total Culture	27,093	657	26,436
Economic Development	7,888	300	7,588
Community Improvement / Business Improvement Areas	1,639	1,150	489
RBC Place London	658	0	658
Tourism & Sports Attraction	2,105	0	2,105
Covent Garden Market	0	0	0
Total Economic Prosperity	12,290	1,450	10,840
Kettle Creek Conservation Authority	314	0	314
Lower Thames Valley Conservation Authority	69	0	69
Upper Thames River Conservation Authority	1,660	0	1,660
Environmental Action Programs & Reporting	1,579	375	1,204
Garbage, Recycling & Composting	37,508	14,105	23,403
Total Environmental Services	41,130	14,479	26,651
Neighbourhood & Recreation Services	97,937	72,734	25,203
Parks & Urban Forestry	15,058	56	15,001
Total Parks, Recreation & Neighbourhood Services	112,995	72,791	40,204

2021 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Building Approvals	7,038	7,351	-313
Planning Services	6,432	1,583	4,849
Development Services	8,130	3,243	4,888
Total Planning & Development Services	21,600	12,177	9,423
Animal Services	3,179	1,269	1,910
By-Law Enforcement & Property Standards	4,853	3,227	1,626
Corporate Security & Emergency Management	3,387	65	3,322
Fire Services	67,013	318	66,694
London Police Services	129,612	9,020	120,592
Total Protective Services	208,044	13,899	194,144
Housing Services	23,386	12,124	11,263
Housing Development Corporation	3,186	0	3,186
London & Middlesex Community Housing	13,184	0	13,184
Long Term Care	25,034	18,922	6,112
Land Ambulance	21,822	0	21,822
Middlesex-London Health Unit	6,095	0	6,095
Social & Community Support Services	170,069	149,202	20,866
Total Social & Health Services	262,777	180,248	82,529
Parking	4,246	8,010	-3,764
London Transit Commission	41,626	0	41,626
Roadways	57,042	7,958	49,085
Rapid Transit	80	80	0
Total Transportation Services	102,995	16,048	86,947

2021 Operating Budget	Approved Expenditure Budget	Approved Non-Tax Levy Revenue	Approved Tax Levy Revenue
Corporate Services	68,771	6,125	62,645
Corporate Planning & Administration	2,282	154	2,128
Council Services	4,177	125	4,052
Public Support Services	12,134	8,950	3,184
Total Corporate, Operational and Council Services	87,364	15,354	72,009
Capital Financing - Capital Levy	50,183	0	50,183
Capital Financing - Debt Servicing	35,979	0	35,979
Capital Financing - Contribution to Capital Reserve Funds	36,769	0	36,769
Other Related Financing - Contingencies	6,247	0	6,247
Other Related Financing - Other Corporate Revenues & Expenditures	26,322	38,527	-12,205
Finance	9,852	2,428	7,424
Total Financial Management	165,352	40,955	124,397

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.

2022 Operating Budget Detail by Service Grouping (\$ Thousands)

2022 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Centennial Hall	848	657	191	848	657	191
Arts, Culture & Heritage Advisory & Funding	2,507	0	2,507	2,501	0	2,501
Museum London	1,898	0	1,898	1,898	0	1,898
Eldon House	304	0	304	304	0	304
Heritage	217	0	217	217	0	217
Library Services	21,742	0	21,742	21,742	0	21,742
Total Culture	27,515	657	26,858	27,509	657	26,852
Economic Development	7,448	300	7,148	7,448	300	7,148
Community Improvement / Business Improvement Areas	548	50	498	548	50	498
RBC Place London	668	0	668	1,518	850	668
Tourism & Sports Attraction	2,122	0	2,122	2,122	0	2,122
Covent Garden Market	0	0	0	0	0	0
Total Economic Prosperity	10,785	350	10,435	11,635	1,200	10,435
Kettle Creek Conservation Authority	316	0	316	316	0	316
Lower Thames Valley Conservation Authority	71	0	71	71	0	71
Upper Thames River Conservation Authority	1,694	0	1,694	1,694	0	1,694
Environmental Action Programs & Reporting	1,578	368	1,210	1,578	368	1,210
Garbage, Recycling & Composting	41,422	14,595	26,827	40,992	14,895	26,097
Total Environmental Services	45,080	14,963	30,117	44,650	15,263	29,387
Neighbourhood & Recreation Services	100,516	73,490	27,026	98,461	73,648	24,813
Parks & Urban Forestry	15,243	56	15,187	14,985	56	14,929
Total Parks, Recreation & Neighbourhood Services	115,759	73,546	42,212	113,446	73,704	39,742

2022 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Building Approvals	7,196	7,502	-305	7,196	7,502	-305
Planning Services	5,905	968	4,937	5,905	968	4,937
Development Services	8,272	3,538	4,734	8,272	3,538	4,734
Total Planning & Development Services	21,373	12,008	9,366	21,373	12,008	9,366
Animal Services	3,237	1,232	2,006	3,237	1,232	2,006
By-Law Enforcement & Property Standards	5,061	3,446	1,615	5,061	3,446	1,615
Corporate Security & Emergency Management	3,436	66	3,370	3,436	66	3,370
Fire Services	68,378	322	68,055	68,372	322	68,049
London Police Services	132,778	8,993	123,785	132,778	8,993	123,785
Total Protective Services	212,891	14,058	198,833	212,885	14,058	198,827
Housing Services	23,411	11,936	11,476	23,411	11,936	11,476
Housing Development Corporation	3,550	0	3,550	3,550	0	3,550
London & Middlesex Community Housing	13,900	0	13,900	13,900	0	13,900
Long Term Care	25,167	19,015	6,152	25,167	19,015	6,152
Land Ambulance	24,332	0	24,332	24,332	0	24,332
Middlesex-London Health Unit	6,705	0	6,705	7,345	0	7,345
Social & Community Support Services	171,008	149,152	21,856	169,661	149,050	20,611
Total Social & Health Services	268,074	180,103	87,971	267,367	180,001	87,366
Parking	4,390	8,280	-3,890	4,390	8,380	-3,990
London Transit Commission	42,421	0	42,421	42,421	0	42,421
Roadways	56,739	7,173	49,566	56,617	7,173	49,444
Rapid Transit	80	80	0	80	80	0
Total Transportation Services	103,630	15,533	88,097	103,508	15,633	87,875

2022 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Corporate Services	69,632	6,112	63,521	69,260	6,112	63,149
Corporate Planning & Administration	2,317	156	2,161	2,302	156	2,146
Council Services	6,135	2,045	4,090	6,135	2,045	4,090
Public Support Services	12,352	8,992	3,359	12,352	9,173	3,179
Total Corporate, Operational and Council Services	90,436	17,305	73,131	90,049	17,485	72,564
Capital Financing - Capital Levy	53,581	0	53,581	53,231	0	53,231
Capital Financing - Debt Servicing	33,559	0	33,559	33,559	0	33,559
Capital Financing - Contribution to Capital Reserve Funds	39,497	0	39,497	38,897	0	38,897
Other Related Financing - Contingencies	10,989	0	10,989	10,989	0	10,989
Other Related Financing - Other Corporate Revenues & Expenditures	25,930	38,737	-12,807	24,930	39,237	-14,307
Finance	9,987	2,454	7,533	9,926	2,424	7,503
Total Financial Management	173,542	41,191	132,352	171,532	41,660	129,871

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.
2. Amended Budget reflects impacts of budget amendments as applicable.

2023 Operating Budget Detail by Service Grouping (\$ Thousands)

2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Centennial Hall	848	657	191	848	657	191
Arts, Culture & Heritage Advisory & Funding	2,510	0	2,510	2,504	0	2,504
Museum London	1,927	0	1,927	1,927	0	1,927
Eldon House	308	0	308	308	0	308
Heritage	221	0	221	221	0	221
Library Services	22,129	0	22,129	22,129	0	22,129
Total Culture	27,944	657	27,287	27,938	657	27,281
Economic Development	7,008	300	6,708	7,008	300	6,708
Community Improvement / Business Improvement Areas	554	50	504	554	50	504
RBC Place London	678	0	678	678	0	678
Tourism & Sports Attraction	2,126	0	2,126	2,126	0	2,126
Covent Garden Market	0	0	0	0	0	0
Total Economic Prosperity	10,366	350	10,016	10,366	350	10,016
Kettle Creek Conservation Authority	316	0	316	316	0	316
Lower Thames Valley Conservation Authority	72	0	72	72	0	72
Upper Thames River Conservation Authority	1,727	0	1,727	1,727	0	1,727
Environmental Action Programs & Reporting	1,553	341	1,212	1,553	341	1,212
Garbage, Recycling & Composting	43,378	15,048	28,330	43,378	15,348	28,030
Total Environmental Services	47,046	15,390	31,656	47,046	15,690	31,356
Neighbourhood & Recreation Services	100,879	73,643	27,236	100,454	73,801	26,653
Parks & Urban Forestry	15,412	56	15,356	15,154	56	15,098
Total Parks, Recreation & Neighbourhood Services	116,291	73,699	42,592	115,609	73,857	41,751
Building Approvals	7,227	7,613	-385	7,227	7,613	-385

2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Planning Services	5,926	943	4,983	5,926	943	4,983
Development Services	8,407	3,677	4,731	8,407	3,677	4,731
Total Planning & Development Services	21,560	12,232	9,328	21,560	12,232	9,328
Animal Services	3,296	1,205	2,091	3,296	1,205	2,091
By-Law Enforcement & Property Standards	5,050	3,436	1,613	5,050	3,436	1,613
Corporate Security & Emergency Management	3,465	67	3,399	3,465	67	3,399
Fire Services	70,102	326	69,777	70,096	326	69,771
London Police Services	134,549	8,838	125,710	134,549	8,838	125,710
Total Protective Services	216,461	13,872	202,589	216,455	13,872	202,583
Housing Services	23,563	11,906	11,656	23,563	11,906	11,656
Housing Development Corporation	3,825	0	3,825	3,825	0	3,825
London & Middlesex Community Housing	14,677	0	14,677	14,677	0	14,677
Long Term Care	25,281	19,110	6,171	25,281	19,110	6,171
Land Ambulance	26,157	0	26,157	26,157	0	26,157
Middlesex-London Health Unit	6,705	0	6,705	7,345	0	7,345
Social & Community Support Services	171,304	148,238	23,066	171,100	148,136	22,964
Total Social & Health Services	271,511	179,255	92,257	271,948	179,153	92,795
Parking	4,392	8,280	-3,887	4,392	8,380	-3,987
London Transit Commission	44,170	0	44,170	44,170	0	44,170
Roadways	57,266	7,251	50,015	57,144	7,251	49,893
Rapid Transit	80	80	0	80	80	0
Total Transportation Services	105,908	15,611	90,297	105,786	15,711	90,075

2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue
Corporate Services	70,295	6,197	64,099	69,923	6,197	63,727
Corporate Planning & Administration	2,217	23	2,195	2,202	23	2,180
Council Services	5,014	898	4,116	5,014	898	4,116
Public Support Services	12,467	9,036	3,431	12,467	9,216	3,250
Total Corporate, Operational and Council Services	89,994	16,153	73,841	89,607	16,334	73,273
Capital Financing - Capital Levy	54,331	0	54,331	53,981	0	53,981
Capital Financing - Debt Servicing	33,244	0	33,244	33,244	0	33,244
Capital Financing - Contribution to Capital Reserve Funds	41,990	0	41,990	41,390	0	41,390
Other Related Financing - Contingencies	19,653	0	19,653	19,653	0	19,653
Other Related Financing - Other Corporate Revenues & Expenditures	25,698	38,949	-13,251	24,698	39,449	-14,751
Finance	10,034	2,480	7,554	9,974	2,450	7,524
Total Financial Management	184,950	41,429	143,520	182,939	41,899	141,040

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.
2. Amended Budget reflects impacts of budget amendments as applicable.

2020 to 2023 Operating Budget Detail by Service Grouping (\$ Thousands)

2020 to 2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue	Average Daily Tax Payer Impact (\$)
Centennial Hall	3,392	2,628	764	3,392	2,628	764	0.00
Arts, Culture & Heritage Advisory & Funding	10,038	75	9,963	10,026	75	9,951	0.03
Museum London	7,499	0	7,499	7,499	0	7,499	0.02
Eldon House	1,206	0	1,206	1,206	0	1,206	0.00
Heritage	844	0	844	844	0	844	0.00
Library Services	86,776	600	86,176	86,776	600	86,176	0.27
Total Culture	109,755	3,303	106,452	109,743	3,303	106,440	0.32
Economic Development	30,366	900	29,466	30,366	900	29,466	0.09
Community Improvement / Business Improvement Areas	6,575	4,700	1,875	6,575	4,700	1,875	0.01
RBC Place London	2,651	0	2,651	3,501	850	2,651	0.01
Tourism & Sports Attraction	8,409	0	8,409	8,409	0	8,409	0.03
Covent Garden Market	0	0	0	0	0	0	0.00
Total Economic Prosperity	48,001	5,600	42,401	48,851	6,450	42,401	0.14
Kettle Creek Conservation Authority	1,169	0	1,169	1,169	0	1,169	0.00
Lower Thames Valley Conservation Authority	279	0	279	279	0	279	0.00
Upper Thames River Conservation Authority	6,649	0	6,649	6,649	0	6,649	0.02
Environmental Action Programs & Reporting	5,783	1,212	4,571	5,783	1,212	4,571	0.01
Garbage, Recycling & Composting	157,008	57,909	99,098	156,578	58,509	98,068	0.31
Total Environmental Services	170,888	59,121	111,767	170,458	59,721	110,737	0.34

2020 to 2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue	Average Daily Tax Payer Impact (\$)
Neighbourhood & Recreation Services	395,532	291,380	104,152	393,052	291,696	101,356	0.32
Parks & Urban Forestry	60,141	225	59,916	59,626	225	59,401	0.19
Total Parks, Recreation & Neighbourhood Services	455,673	291,606	164,067	452,678	291,922	160,756	0.51
Building Approvals	28,234	29,666	-1,432	28,234	29,666	-1,432	0.00
Planning Services	23,296	4,033	19,263	23,296	4,033	19,263	0.06
Development Services	32,707	13,155	19,551	32,707	13,155	19,551	0.06
Total Planning & Development Services	84,237	46,854	37,383	84,237	46,854	37,383	0.12
Animal Services	12,794	4,975	7,819	12,794	4,975	7,819	0.02
By-Law Enforcement & Property Standards	19,677	13,179	6,498	19,677	13,179	6,498	0.02
Corporate Security & Emergency Management	13,516	262	13,255	13,516	262	13,255	0.04
Fire Services	271,183	1,281	269,902	271,171	1,281	269,890	0.84
London Police Services	521,185	35,420	485,765	521,185	35,420	485,765	1.52
Total Protective Services	838,355	55,117	783,238	838,343	55,117	783,226	2.44

2020 to 2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue	Average Daily Tax Payer Impact (\$)
Housing Services	93,778	48,275	45,503	93,778	48,275	45,503	0.14
Housing Development Corporation	13,404	0	13,404	13,404	0	13,404	0.04
London & Middlesex Community Housing	54,150	0	54,150	54,150	0	54,150	0.17
Long Term Care	100,064	75,877	24,187	100,064	75,877	24,187	0.08
Land Ambulance	91,255	0	91,255	91,255	0	91,255	0.29
Middlesex-London Health Unit	26,209	0	26,209	27,489	0	27,489	0.09
Social & Community Support Services	682,064	595,267	86,797	680,513	595,063	85,450	0.27
Total Social & Health Services	1,060,924	719,419	341,505	1,060,654	719,215	341,439	1.08
Parking	16,506	31,690	-15,183	16,506	31,890	-15,383	-0.05
London Transit Commission	166,306	0	166,306	166,306	0	166,306	0.52
Roadways	225,886	29,262	196,624	225,642	29,262	196,380	0.61
Rapid Transit	320	320	0	320	320	0	0.00
Total Transportation Services	409,018	61,271	347,747	408,774	61,471	347,302	1.08
Corporate Services	274,309	24,138	250,171	273,565	24,138	249,427	0.78
Corporate Planning & Administration	9,022	354	8,667	8,992	354	8,637	0.03
Council Services	19,421	3,198	16,223	19,421	3,198	16,223	0.05
Public Support Services	48,676	35,886	12,791	48,676	36,247	12,429	0.04
Total Corporate, Operational and Council Services	351,428	63,575	287,853	350,654	63,936	286,718	0.90

2020 to 2023 Operating Budget	Previously Approved Expenditure Budget	Previously Approved Non-Tax Levy Revenue	Previously Approved Tax Levy Revenue	Amended Expenditure Budget	Amended Non-Tax Levy Revenue	Amended Tax Levy Revenue	Average Daily Tax Payer Impact (\$)
Capital Financing - Capital Levy	206,356	0	206,356	205,656	0	205,656	0.64
Capital Financing - Debt Servicing	140,342	0	140,342	140,342	0	140,342	0.44
Capital Financing - Contribution to Capital Reserve Funds	150,050	0	150,050	148,850	0	148,850	0.47
Other Related Financing - Contingencies	41,850	0	41,850	41,850	0	41,850	0.13
Other Related Financing - Other Corporate Revenues & Expenditures	104,508	155,795	-51,287	102,508	156,795	-54,287	-0.17
Finance	39,152	9,641	29,511	39,031	9,580	29,450	0.09
Total Financial Management	682,259	165,436	516,823	678,238	166,376	511,862	1.60

Subject to rounding.

Notes

1. Amounts reported include housekeeping budget adjustments.
2. Amended Budget reflects impacts of budget amendments as applicable.

Appendix B - Capital Budget Overview

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

Classification	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Amended Budget	2021 to 2023 Amended Budget Increase/ Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/ Decrease	2020 to 2029 Amended Ten Year Plan
Lifecycle Renewal	105,569	93,994	109,981	97,195	406,739	-600	626,190	-1,800	1,032,929
Growth ¹	124,545	111,599	159,607	251,391	647,142	9,190	658,554	4,241	1,305,696
Service Improvement	95,960	34,323	42,482	59,698	232,463	28,590	309,384	8,685	541,847
Total Expenditures	326,074	239,916	312,069	408,284	1,286,343	37,180	1,594,127	11,126	2,880,471

Subject to rounding.

Notes

1. Next steps for projects such as the Wonderland Road Widening were recently discussed at the August 31, 2021, Civic Works Committee, via the report titled “Outcome of Climate Lens Screening Applied to Major Transportation Projects”. Based on the approved recommendations from this report, the Multi-Year Growth Budget will be adjusted during the next appropriate cycle. Capital plan adjustments are not available for the 2022 Annual Budget Update.

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

Service Program	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Amended Budget	2021 to 2023 Amended Budget Increase/Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/Decrease	2020 to 2029 Amended Ten Year Plan
Culture Services	8,533	2,004	2,037	2,047	14,621	0	15,457	0	30,078
Economic Prosperity	4,518	9,258	7,671	7,088	28,534	0	43,087	0	71,621
Environmental Services	42,231	1,660	4,745	15,745	64,381	1,720	45,845	8,610	110,226
Parks, Recreation and Neighbourhood Services	27,478	24,974	22,580	60,074	135,106	750	116,647	375	251,753
Planning and Development Services	1,901	4,695	2,494	5,047	14,137	-100	3,838	-300	17,974
Protective Services	18,638	22,782	28,163	28,569	98,152	0	110,201	0	208,354
Social and Health Services	35,511	16,887	15,025	17,381	84,803	0	95,577	0	180,380
Transportation Services	170,082	144,790	209,787	250,584	775,243	34,812	934,566	2,441	1,709,809
Corporate, Operational and Council Services	17,181	12,867	19,568	21,749	71,365	0	228,911	0	300,276
Total Expenditures	326,074	239,916	312,069	408,284	1,286,343	37,180	1,594,127	11,126	2,880,471

Subject to rounding.

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

Source of Financing	2020 Approved Budget	2021 Approved Budget	2022 Amended Budget	2023 Amended Budget	2020 to 2023 Amended Budget Total	2021 to 2023 Amended Budget Increase/Decrease	2024 to 2029 Amended Forecast	2024 to 2029 Amended Forecast Increase/Decrease	2020 to 2029 Amended Ten Year Plan
Capital Levy	46,430	47,634	53,208	53,931	201,202	962	352,163	-1,803	553,366
Debt	54,877	28,118	31,484	72,524	187,003	13,020	207,215	0	394,218
Reserve Fund	68,842	40,158	47,192	49,620	205,811	-2,530	371,382	8,985	577,193
Other	5,113	2,570	724	7	8,414	0	1,774	0	10,188
Sub-Total Tax Supported	175,261	118,480	132,607	176,081	602,430	11,452	932,534	7,182	1,534,965
Debt	9,970	4,568	24,549	61,485	100,572	7,626	128,134	3,944	228,706
Reserve Fund	53,734	54,925	51,832	54,394	214,885	-7	255,815	0	470,701
Canada Community-Building Fund (Formerly Federal Gas Tax)	27,355	17,108	29,278	33,750	107,491	5,000	97,138	0	204,629
Federal Grants	28,340	23,833	35,558	40,118	127,849	0	22,992	0	150,841
Provincial Grants	21,065	17,923	30,268	35,080	104,336	0	32,105	0	136,441
Other Government	0	0	7,200	5,910	13,110	13,110	119,314	0	132,424
Other	10,349	3,079	777	1,466	15,671	0	6,096	0	21,767
Sub-Total Non-Tax Supported	150,812	121,436	179,463	232,202	683,914	25,728	661,593	3,944	1,345,508
Total Source of Financing	326,074	239,916	312,069	408,284	1,286,343	37,180	1,594,127	11,126	2,880,471

Subject to rounding.

2030 and 2031 Capital Budget Overview by Classification – As Recommended (\$ Thousands)

Classification	2030 Forecast	2031 Forecast	2022 to 2031 Amended Ten Year Plan
Lifecycle Renewal	108,356	112,834	1,054,555
Growth	69,204	39,057	1,177,814
Service Improvement	8,299	60,721	480,584
Total Expenditures	185,859	212,611	2,712,952

Subject to rounding.

Source of Financing	2030 Forecast	2031 Forecast	2022 to 2031 Amended Ten Year Plan
Capital Levy	63,757	65,345	588,404
Debt	0	44,031	355,254
Reserve Fund	37,426	51,382	557,002
Other	0	0	2,505
Sub-Total Tax Supported	101,183	160,759	1,503,165
Debt	33,136	11,835	259,139
Reserve Fund	33,628	22,730	418,399
Canada Community-Building Fund (Formerly Federal Gas Tax)	13,725	13,100	186,992
Federal Grants	0	0	98,668
Provincial Grants	3,171	3,171	103,795
Other Government	0	0	132,424
Other	1,016	1,016	10,371
Sub-Total Non-Tax Supported	84,676	51,852	1,209,787
Total Source of Financing	185,859	212,611	2,712,952

Subject to rounding.

2030 and 2031 Major Capital Projects by Classification – As Recommended (\$ Thousands)

Classification	Project	2030 Forecast	2031 Forecast
Lifecycle Renewal	Road Network Improvements	28,641	29,328
Lifecycle Renewal	Bus Replacement Program	10,756	10,756
Lifecycle Renewal	Traffic Signal and Street Light Maintenance	9,054	9,279
Lifecycle Renewal	Vehicle and Equipment Replacement	6,662	6,238
Lifecycle Renewal	LMCH Infrastructure Gap	6,142	6,142
Growth	Wonderland Rd Widening (Riverside to Springbank) ¹	41,766	0
Growth	Oxford Street W Widening (Sanitorium to Commissioners)	0	18,497
Growth	Southdale Road W Widening (Bostwick to Colonel Talbot)	0	13,682
Growth	Kilally Rd Urbanization (Webster to Clarke)	11,766	0
Growth	Wonderland Rd Widening (Oxford to Riverside)	6,075	0
Service Improvement	Highbury LTC Facility Demolition and Rebuild	0	37,375
Service Improvement	ILDS Internal Servicing	0	13,000
Service Improvement	Regenerating Public Housing	3,500	3,500
Service Improvement	Long Term Disposal Capacity	880	2,550
Service Improvement	Urban Forest Strategy	1,600	1,600

Subject to rounding.

Notes

1. Next steps for projects such as the Wonderland Road Widening were recently discussed at the August 31, 2021, Civic Works Committee, via the report titled “Outcome of Climate Lens Screening Applied to Major Transportation Projects”. Based on the approved recommendations from this report, the Multi-Year Growth Budget will be adjusted during the next appropriate cycle. Capital plan adjustments are not available for the 2022 Annual Budget Update.

Appendix C - Reserve / Reserve Fund Overview

Reserve and Reserve Fund Classification Descriptions

Classification	Type	Description
Obligatory	City Services	City Services reserve funds are legislated by the Development Charges (DC) Act, 1997, as amended; a separate reserve fund exists for each service upon which a DC is levied; contributions fund future growth-related projects.
Obligatory	Canada Community-Building Fund (Formerly Federal Gas Tax)	Canada Community-Build Fund (Federal Gas Tax) Reserve Fund is maintained under the Agreement for Transfer of Federal Gas Tax Revenues under the New Deal for Cities and Communities between Canada-Ontario-AMO-City of Toronto made as of June 17, 2005.
Obligatory	Parkland	Parkland Reserve Fund is legislated by the Planning Act, R.S.O. 1990, as amended; monies standing in the reserve fund represent contributions from developers for payments in lieu of providing parkland and the reserve fund is restricted to supporting related park or other recreational purposes.
Discretionary	Capital Asset Renewal and Replacement	Established to provide funding for the repair and maintenance of existing City assets to ensure City-owned assets do not deteriorate over time.
Discretionary	Capital Asset Growth	Established to provide funding to new capital initiatives while allowing the City to stabilize the cost of purchasing major capital assets by spreading the cost over multiple years.
Discretionary	Special Projects and New Initiatives	Planned savings within the budget to fund projects or expenses either identified at the time the reserve or reserve fund is set-up or after, which allows the City to save for planned or unanticipated projects or expenses that may arise and do not have another funding source.
Discretionary	Contingencies/Stabilization and Risk Management	Designed to fund future obligations which are based on calculated estimates and to mitigate unforeseen events or one-time unanticipated revenue losses and expenses.

Reserve and Reserve Fund Overview ¹ – As Recommended (\$ Thousands)

Classification	Type	2020 Uncommitted	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Obligatory	City Services	25,432	23,662	21,818	18,486	32,654
Obligatory	Canada Community-Building Fund (Formerly Federal Gas Tax)	42,107	48,537	35,679	20,808	22,088
Obligatory	Parkland	2,645	2,301	2,319	1,724	2,471
Total	Obligatory	70,184	74,501	59,817	41,018	57,213
Discretionary	Capital Asset Renewal and Replacement ²	87,090	108,431	116,898	125,804	131,514
Discretionary	Capital Asset Growth ²	23,698	24,652	29,625	29,728	40,957
Discretionary	Special Projects and New Initiatives ²	155,072	162,100	158,675	167,022	218,511
Discretionary	Contingencies/Stabilization and Risk Management	224,531	200,968	195,914	197,117	212,493
Total	Discretionary	490,392	496,151	501,112	519,671	603,475

Subject to rounding.

Notes

1. Amounts reported include the recommended 2022 Annual Budget Update amendments.
2. Balances are increasing because several reserves and reserve funds do not factor in draws until approved by Municipal Council, or authorized designate.

Reserve and Reserve Fund Details – As Recommended
 Obligatory Reserve Funds (\$ Thousands)

Reserve Fund	2020 Uncommitted	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
City Services	25,432	23,662	21,818	18,486	32,654
Canada Community-Building Fund (Formerly Federal Gas Tax) ²	42,107	48,537	35,679	20,808	22,088
Parkland	2,645	2,301	2,319	1,724	2,471
Total Obligatory¹	70,184	74,501	59,817	41,018	57,213

Subject to rounding.

Notes

1. Obligatory reserve funds were established to comply with legislation. Contributions and drawdowns are dictated by legislation.
2. Balance of the Canada Community-Building Fund includes portions of the two top ups the City of London has received from the Government of Canada. This funding will be required for future capital plans, amendments, strategic initiatives, etc.

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

Reserve Fund	2020 Uncommitted	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
City Facilities	43,257	54,147	57,534	58,441	13,856
Corporate Security & Emergency Management	0	26	42	67	190
RBC Place London ¹	458	1,161	645	971	814
Recreation	0	738	1,944	3,419	11,641
Courts Administration	270	5	5	5	6
Dearness Home	829	861	853	871	909
Library	369	555	719	921	54
Parking Facilities	543	1,319	1,709	2,605	6,805
Parks	0	186	608	1,098	3,909
Material Recovery Facility	1,553	715	270	273	3,510
Solid Waste	5,072	8,220	11,242	11,152	6,523
Public Housing ²	2,935	3,401	3,576	3,389	16,287
Public Art Renewal	272	276	279	282	299
Capital Infrastructure Gap	7,860	9,959	10,059	10,160	10,785
Technology Services	6,913	7,493	5,867	4,761	2,133
Transportation	0	2,035	6,923	12,569	45,051
Urban Forestry	2,570	2,079	1,831	1,580	1,945
Vehicle and Equipment - City	5,965	7,799	6,567	6,414	2,144
Vehicle and Equipment - Fire	5,590	5,124	3,740	4,448	956
Vehicle and Equipment - Police	2,637	2,331	2,487	2,377	3,698
Total Capital Asset Renewal and Replacement	87,090	108,431	116,898	125,804	131,514

Subject to rounding.

Notes

1. Budgeted activity within this reserve fund is governed by Agency, Board, or Commission policies and approvals.
2. The projected balance in this reserve fund includes the forecasted standing Assessment Growth Business Case as noted in the 2020 to 2023 Multi-Year Budget Additional Investment Business Case #12 to support LMCH's asset management plan.

Capital Asset Growth Reserve Funds (\$ Thousands)

Reserve Fund	2020 Uncommitted	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Industrial Oversizing	1,791	1,722	1,608	1,493	1,865
Industrial Land	11,631	9,838	11,880	9,023	5,524
Industrial DC Incentive	3,468	3,502	3,536	3,571	3,787
Institutional DC Incentive	5,296	6,756	8,230	9,720	16,178
Commercial DC Incentive	375	178	180	182	193
Residential DC Incentive ¹	379	1,890	3,417	4,958	12,582
Non-Growth Works Arising from Development Agreements	758	766	773	781	829
Total Capital Asset Growth	23,698	24,652	29,625	29,728	40,957

Subject to rounding.

Notes

1. Residential DC Incentive Reserve Fund balances are increasing because they do not reflect draws until associated DC grants are approved through the Community Improvement Plan program.

Special Projects and New Initiatives Reserves and Reserve Funds (\$ Thousands)

Reserve or Reserve Fund	2020 Uncommitted	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Animal Welfare	244	183	158	159	169
Child Care and Early Childhood Development	5,333	5,565	5,621	5,677	6,027
Civic Investments	-87	66	4	86	2,682
Community Improvement - Grant	5,064	5,140	4,411	5,775	4,543
Community Improvement - Loan	955	2,306	1,646	1,984	4,085
Community Investment	1,563	1,579	1,575	1,571	1,646
Creative City	377	381	384	388	412
Dearness Home Gift ¹	789	887	986	1,087	1,710
Economic Development ²	10,458	10,144	5,679	6,470	27,486
Golf Courses	250	296	313	351	593
Housing Development Corporation ⁴	990	1,019	707	1,016	1,069
Housing Support Services	510	515	520	526	558
Land Acquisition ³	11,367	12,703	13,714	14,736	21,083
Municipal Affordable Homeownership	1,793	2,149	2,171	2,193	2,328
Municipal Elections	1,801	2,258	717	336	727
Official Plan	452	509	343	397	515
Operating Effectiveness, Efficiency and Economy ³	17,891	18,999	20,593	23,028	26,486
Public Art Acquisition	677	684	691	698	740
PUC Environmental ⁵	78,373	79,317	79,317	79,317	79,317
Red Light Camera	1,988	1,656	1,673	1,689	1,793
Social Housing - Major Repairs ³	10,033	10,660	11,269	11,884	15,707

Reserve or Reserve Fund	2020 Uncommitted	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Social Services	3,791	3,829	3,868	3,906	4,147
Tourism Infrastructure ³	346	1,015	2,050	3,458	14,245
Tree Bank	116	241	266	290	444
Total Special Projects and New Initiatives	155,072	162,100	158,675	167,022	218,511

Subject to rounding.

Notes

1. Budgeted activity within this reserve fund is subject to donation restrictions, if any, and Dearness Home policies and approvals.
2. The balance in this fund does not include amount set aside for the Forks of the Thames and London Community Recovery.
3. Balances within these funds are increasing because they do not factor in draws until approved by Municipal Council, or authorized designate.
4. Budgeted activity within this reserve fund is governed by Agency, Board, or Commission policies and approvals.
5. Balance of Public Utility Commission (PUC) Environmental Reserve Fund restricted to costs associated with coal tar affected lands held by the City (former PUC lands).

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

Reserve or Reserve Fund	2020 Uncommitted	2021 Projected	2022 Projected	2023 Projected	2024 to 2029 Forecast
Building Permits	3,776	4,819	4,867	4,916	5,218
LMHC Employee Entitlement ¹	26	26	26	27	28
LPS Employee Benefits ¹	1,346	1,361	1,188	1,015	1,077
LPS Recruitment ¹	173	171	117	58	62
LPS Sick Leave ¹	92	93	94	95	101
LPS Unfunded Liability ¹	10,192	10,294	10,397	10,501	11,147
LPL Sick Leave ¹	41	43	30	14	15
Operating Budget Contingency ²	68,147	38,905	31,996	31,021	31,021
Self Insurance	8,239	10,912	11,888	12,883	19,297
Sick Leave City	1,049	557	261	264	280
Unfunded Liability ²	116,373	117,536	118,712	119,899	127,275
Workplace Safety and Insurance Board	15,078	16,252	16,339	16,427	16,973
Total Contingencies/Stabilization and Risk Management	224,531	200,968	195,914	197,117	212,493

Subject to rounding.

Notes

1. Budgeted activity within this reserve fund is governed by Agency, Board, or Commission policies and approvals.
2. The balances of these funds are significant due to the nature of their Municipal Council approved purposes, it being noted that each fund is below established targets.

Appendix D - Debt Overview

Annual Debt Servicing Costs (\$ Thousands)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
General Property Taxes	37,560	35,945	33,559	33,244	29,613	34,097	35,255	37,168	38,051	38,150
Wastewater and Treatment	9,748	9,193	5,838	4,725	4,402	3,716	3,217	3,460	4,058	2,693
Water	350	349	112	111	0	0	0	0	0	0
Rate Supported Reserve Funds	4,810	2,230	2,221	1,218	499	0	0	0	0	0
Joint Water Boards - City's Share	2,586	2,473	2,465	1,655	1,504	1,493	714	305	0	0
City Services Reserve Funds	12,666	14,826	14,429	18,006	21,427	25,352	29,064	32,856	36,197	38,183
Total Corporate	67,721	65,017	58,624	58,959	57,447	64,659	68,250	73,790	78,306	79,026

Subject to rounding.

Note: The 2020 to 2023 debt servicing costs for General Property Taxes, Wastewater and Treatment, and Water represent budgeted amounts and include housekeeping budget adjustments. Amounts beyond this period are forecasts.

Forecasted Issued Debt Levels at Year-End (\$ Thousands)	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
General Property Taxes	139,657	123,807	137,929	157,853	226,643	233,202	238,901	243,032	243,881	247,810
Wastewater and Treatment	33,008	24,662	19,456	15,217	11,184	7,732	12,669	17,449	21,707	27,423
Water	549	213	108	0	0	0	0	0	0	0
Rate Supported Reserve Funds	5,786	3,752	1,656	490	0	0	0	0	0	0
Joint Water Boards - City's Share	9,967	7,718	5,423	3,881	2,454	1,002	303	0	0	0
City Services Reserve Funds	90,127	86,359	112,102	134,837	157,549	176,826	192,805	205,322	214,756	230,240
Total Corporate	279,095	246,510	276,674	312,278	397,830	418,762	444,678	465,803	480,345	505,473

Subject to rounding.

Note 1: 2020 Issued Debt Levels reflects actual amounts.

Note 2: Debt Overview includes impacts of budget amendments as applicable.

Appendix E – 2020 to 2023 Multi-Year Budget Tax Levy Summary

2020 to 2023 Multi-Year Budget Tax Levy Summary	2020 to 2023 Average % Increase
2020 Budget to Maintain Existing Service Levels^{1, 2}	2.9%
Total 2020 Business Cases (Additional Investments and Tax Levy Reductions)	0.9%
2020 % Increase from Rates	3.8%
2021 Budget Amendments Approved by Council	0.0%
2021 Amended % Increase from Rates	3.8%
2022 Draft Budget Amendments	-0.2%
2022 Amended % Increase from Rates	3.6%

Subject to rounding.

Notes

1. Previously approved rates are recalculated taking into account assessment growth impact in each year of annual update of the Multi-Year Budget period.
2. Budget to maintain existing service levels includes provincial impact decisions made as part of the 2020 to 2023 Multi-Year Budget.

2020 to 2023 Multi-Year Budget Tax Levy Summary (\$Thousands)	2020	2021	2022	2023
2020 Budget to Maintain Existing Service Levels³	3.2%	3.4%	2.4%	2.8%
Case #1: 60% Waste Diversion Action Plan	700	3,900	6,500	6,500
Case #2: Affordable Housing Community Improvement Plan	187	187	195	203
Case #3B: Back to the River Environmental Assessment Implementation	0	0	0	0
Case #3C: Back to the River Soho Environmental Assessment	0	0	0	0
Case #4A: City of London Infrastructure Gap	500	500	1,000	1,000
Case #4B: City of London Infrastructure Gap	750	1,500	2,250	3,000
Case #5A: Climate Emergency Declaration (Develop Action Plan)	0	0	0	0
Case #5B Climate Emergency: Implement Immediate Actions	90	318	318	318
Case #6: Coordinated Informed Response	1,613	1,655	1,697	1,738
Case #7A: Core Area Action Plan	1,880	2,280	2,580	2,580
Case #7B: Core Area Action Plan	500	600	300	300
Case #8: Dearness Home Auditorium Expansion	0	0	259	259

2020 to 2023 Multi-Year Budget Tax Levy Summary (\$Thousands)	2020	2021	2022	2023
Case #9: Fanshawe College Innovation Village	0	0	0	0
Case #10A: Housing Development Corporation Funding for Affordable Housing	0	100	250	500
Case #10B: Housing Development Corporation Funding for Affordable Housing	500	670	830	800
Case #11A: Information System - Application Tracking Software	0	0	0	0
Case #11B: Information System - Human Capital Management System	183	183	183	183
Case #12: London and Middlesex Community Housing Infrastructure Gap	500	1,000	1,500	2,000
Case #13: Master Accommodation Plan	0	0	0	0
Case #14: Operations Master Plan 2020	0	0	0	0
Case #15: Subsidized Transit Program	0	0	0	964
Case #16: T-Block Replacement / New Storage Building	0	0	0	0
Case #17A: Community Improvement Plan - Community Building Projects	30	30	50	50
Case #17B: Community Improvement Plan - Land Acquisition	0	0	0	0
Case #18: London and Middlesex Community Housing - Co-Investment with Canada Mortgage Housing Corporation	1,873	1,921	1,967	2,016
Case #19: London and Middlesex Community Housing Operating Staffing and Security	1,054	1,347	1,535	1,739
Case #20: London Public Library – Collections	0	0	0	0
Case #21: Regeneration of Public Housing	500	500	1,750	2,500
Case #23: Street Light Local Improvement	120	125	131	136
Case #24: Wifi in Recreation Facilities for the Public	0	0	0	0
Case #25: Winter Maintenance Program Support	0	740	740	740
Case #26: Eliminate Curbside Christmas Tree Collection	0	-40	-40	-40
Case #27: London Public Library - Eliminate Planned Security Enhancements	0	-21	-43	-43
Case #28: London Public Library - Eliminate Planned Staffing Increase	0	0	0	-42
Case #29: London Public Library - Promissory Note Forgiveness	-171	-176	-182	-188
Case #30: London Public Library - Wi-Fi Hotspot Lending Program	-47	-47	-47	-47
Case #31: Multi-Residential Fee Increase for Waste Collection	0	-150	-300	-450
Case #33: Reduce Road Network Improvements for Minor Streets	-800	-800	-800	-800
Case #34: Transfer Portion of Conservation Authority Costs to Wastewater and Treatment Budget	-2,788	-2,854	-2,921	-2,991

2020 to 2023 Multi-Year Budget Tax Levy Summary (\$Thousands)	2020	2021	2022	2023
Total 2020 Business Cases \$	7,174	13,468	19,702	22,925
Total 2020 Business Cases %	1.2%	1.0%	0.9%	0.5%
2020 % Increase from Rates	4.4%	4.4%	3.4%	3.3%
Case #1: RBC Place London - Promissory Note Forgiveness	0	0	0	0
Case #2: RBC Place London - Revised Capital Plan	0	0	0	0
Case #3: Recycling and Composting - Repair of Material Recovery Facility Fire Suppressant System	0	0	0	0
Case #4: Children's Services - Reduction in Required Investment in 2021 Due to Impacts of COVID-19	0	-1,630	0	0
Case #5: Middlesex-London Health Unit - Increased Funding by the Ministry of Health in 2021	0	-610	0	0
Case #6: Ontario Works - Reduction in Investment in 2021 in Connection with Impacts of COVID-19 Pandemic	0	-425	0	0
Case #7: Corporate Services - Administrative Recoveries from Water, Wastewater and Treatment, and Joint Water Boards	0	-403	-578	-601
Case #8: Other Related Financing - Reduction to Corporate Contingency Budget	0	-500	-700	-700
Case #9: Implementation of Strategic Objectives Related to Growing a Film Sector in London	0	0	0	0
Case #10: Revised Implementation (Case #1, 2020 Budget) - 60% Waste Diversion Action Plan	0	-2,300	-1,450	0
Amendment to the 2020 to 2023 Additional Investment Case #4B – City of London Infrastructure Gap	0	-500	-500	-500
Total 2021 Budget Amendments \$	0	-6,367	-3,228	-1,801
Total 2021 Budget Amendments %	0.0%	-1.0%	0.4%	0.1%
2021 Amended % Increase from Rates	4.4%	3.4%	3.8%	3.4%
Case #P-1: Various Services – Budget Right-Sizing	0	0	-3,712	-3,282
Case #P-2: Middlesex London Health Unit – Inflationary Pressures	0	0	640	640
Case #P-3: RBC Place London – Funding Support	0	0	0	0
Case #P-4: Private Parking Enforcement – Increased Fines	0	0	-100	-100
Case #P-5: Child Care and Ontario Works – Reduction in Required 2022 Investment	0	0	-2,773	0

2020 to 2023 Multi-Year Budget Tax Levy Summary (\$Thousands)	2020	2021	2022	2023
Case #P-6: Infrastructure Gap and Community Building Projects – Reductions to Previously Approved Business Cases	0	0	-650	-650
Case #P-7: Neighbourhood and Sports Programs – Reduction to Grants	0	0	-235	-235
Case #P-8: Parks – Naturalization and Reduction in Tree Trimming	0	0	-258	-258
Case #P-9: Invasive Species Management - Capital	0	0	0	0
Case #P-10: Transportation – Capital Project Adjustments	0	0	0	0
Case #P-11: Long-term Disposal Capacity – Revised Costs	0	0	0	0
Case #P-12: LTC – Zero Emission Buses	0	0	0	0
Total 2022 Draft Budget Amendments \$	0	0	-7,087	-3,885
Total 2022 Draft Budget Amendments %	0.0%	0.0%	-1.0%	0.5%
2022 Amended % Increase from Rates	4.4%	3.4%	2.8%	3.9%

Subject to rounding.

Notes

1. Summary represents operating and capital levy (property tax) funding only. It does not include funding from other sources, primarily reserves/reserve funds.
2. Previously approved rates are recalculated taking into account assessment growth impact in each year of annual update of the Multi-Year Budget period.
3. Budget to maintain existing service levels includes provincial impact decisions made as part of the 2020 to 2023 Multi-Year Budget.

Appendix F - 2020 to 2023 Water Schedule of Rates and Charges

1. Monthly Water Usage Charges - Water rates

Range within Block (m ³)	Monthly Water Consumption (m ³)	January 1, 2020 Rate (\$/m ³)	January 1, 2021 Rate (\$/m ³)	January 1, 2022 Rate (\$/m ³)	January 1, 2023 Rate (\$/m ³)
0 - 7	First 7	\$0.0000	\$0.0000	\$0.0000	\$0.0000
8 - 15	Next 8	\$2.3069	\$2.3646	\$2.4237	\$2.4843
16 - 25	Next 10	\$2.9659	\$3.0400	\$3.1160	\$3.1939
26 - 35	Next 10	\$3.2956	\$3.3780	\$3.4625	\$3.5491
36 - 250	Next 215	\$1.2524	\$1.2837	\$1.3158	\$1.3487
251 - 7,000	Next 6,750	\$1.1864	\$1.2161	\$1.2465	\$1.2777
7,001 - 50,000	Next 43,000	\$1.0811	\$1.1081	\$1.1358	\$1.1642
50,001+	Over 50,000	\$0.9626	\$0.9867	\$1.0114	\$1.0367

2. Monthly Water Fixed Charges

2.1 Infrastructure Connection Charge

Meter Size (mm)	January 1, 2020 Monthly Charge	January 1, 2021 Monthly Charge	January 1, 2022 Monthly Charge	January 1, 2023 Monthly Charge
16 mm	\$16.20	\$16.61	\$17.03	\$17.46
19 mm	\$24.29	\$24.90	\$25.52	\$26.16
25 mm	\$40.49	\$41.50	\$42.54	\$43.60
40 mm	\$80.99	\$83.01	\$85.09	\$87.22
50 mm	\$129.59	\$132.83	\$136.15	\$139.55
76 mm	\$283.43	\$290.52	\$297.78	\$305.22
100 mm	\$485.91	\$498.06	\$510.51	\$523.27
150 mm	\$1,133.80	\$1,162.15	\$1,191.20	\$1,220.98
200 mm	\$1,943.63	\$1,992.22	\$2,042.03	\$2,093.08
250 mm	\$2,429.67	\$2,490.41	\$2,552.67	\$2,616.49

2.2 Fire Protection Charge

Property Classification	January 1, 2020 Monthly Rate	January 1, 2021 Monthly Rate	January 1, 2022 Monthly Rate	January 1, 2023 Monthly Rate
Residential and Low-density Residential	\$1.66	\$1.70	\$1.74	\$1.78
Institutional, Commercial, Industrial, Medium-density Residential, High Rise under 5.0 hectares	\$11.12	\$11.40	\$11.69	\$11.98
Institutional, Commercial, Industrial, Medium-density Residential, High Rise 5.0 hectares and over	\$55.54	\$56.93	\$58.35	\$59.81

2.3 Customer Assistance Charge

Property Classification	January 1, 2020 Monthly Charge	January 1, 2021 Monthly Charge	January 1, 2022 Monthly Charge	January 1, 2023 Monthly Charge
Residential	\$0.25	\$0.25	\$0.25	\$0.25

3.1 Temporary Connection Charges for Construction

Building Type	January 1, 2020 Charge (\$)	January 1, 2021 Charge (\$)	January 1, 2022 Charge (\$)	January 1, 2023 Charge (\$)
Single family	\$59.99	\$61.49	\$63.03	\$64.61
Duplex	\$59.99	\$61.49	\$63.03	\$64.61
Up to 4 units	\$74.97	\$76.84	\$78.76	\$80.73
5 to 10 units	\$112.38	\$115.19	\$118.07	\$121.02
11 to 15 units	\$149.88	\$153.63	\$157.47	\$161.41
16 to 20 units	\$187.42	\$192.11	\$196.91	\$201.83
21 to 25 units	\$225.64	\$231.28	\$237.06	\$242.99
26 to 30 units	\$262.29	\$268.85	\$275.57	\$282.46
31 to 35 units	\$299.92	\$307.42	\$315.11	\$322.99
36 to 40 units	\$337.40	\$345.84	\$354.49	\$363.35

Building Type	January 1, 2020 Charge (\$)	January 1, 2021 Charge (\$)	January 1, 2022 Charge (\$)	January 1, 2023 Charge (\$)
41 to 50 units	\$374.83	\$384.20	\$393.81	\$403.66
Over 50 units (Charge per unit)	\$7.60	\$7.79	\$7.98	\$8.18
Other Structures	\$15.26	\$15.64	\$16.03	\$16.43
	per 93 m ² of floor space (minimum charge \$)	per 93 m ² of floor space (minimum charge \$39.07)	per 93 m ² of floor space (minimum charge \$40.05)	per 93 m ² of floor space (minimum charge \$41.05)

3.2 Main Tap Charges

Type of Main Tap	January 1, 2020 Charge	January 1, 2021 Charge	January 1, 2022 Charge	January 1, 2023 Charge
Tap size of 50 mm or less	\$359.95	\$368.95	\$378.17	\$387.62
Tap size of greater than 50 mm	\$719.90	\$737.90	\$756.35	\$775.26
Tapping concrete mains or tap size of greater than 300 mm	\$2,159.71	\$2,213.70	\$2,269.04	\$2,325.77

3.3 Miscellaneous Charges

Service or Activity	January 1, 2020 Charge	January 1, 2021 Charge	January 1, 2022 Charge	January 1, 2023 Charge
Change of occupancy/ Account set-up/ Security deposit	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro
Late payment	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro

Service or Activity	January 1, 2020 Charge	January 1, 2021 Charge	January 1, 2022 Charge	January 1, 2023 Charge
NSF cheques	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro
Collection charges	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro
Bulk Water User charges Cost of Water per 1,000 litres	\$3.85	\$3.95	\$4.05	\$4.15
Inspecting waterworks installations/disconnections (per hour)	\$133.25	\$136.58	\$139.99	\$143.49
Disconnection of Water Service				
During regular hours	\$35.00	\$35.00	\$35.00	\$35.00
After regular hours	\$185.00	\$185.00	\$185.00	\$185.00
Arrears Certificate Charges (non-payment/arrears)	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro	As set by and payable to London Hydro
Disconnect and Reconnect Meter at customer request				
16 and 19 mm	\$133.25	\$136.58	\$136.58	\$136.58
25 mm and larger	\$266.50	\$273.16	\$273.16	\$273.16
Install Water Meter and Remote Read- Out Unit at customer request				
16 and 19 mm	\$307.50	\$315.19	\$323.07	\$331.15
25 mm and larger	Time and Material	Time and Material	Time and Material	Time and Material
Repair damaged Water Meter				
16 and 19 mm	\$235.75	\$241.64	\$247.68	\$253.87
25 mm and larger	Time and Material	Time and Material	Time and Material	Time and Material
Meter checked for accuracy at customer's request and found to be accurate				

Service or Activity	January 1, 2020 Charge	January 1, 2021 Charge	January 1, 2022 Charge	January 1, 2023 Charge
16 and 19 mm	\$271.63	\$278.42	\$285.38	\$292.51
25 mm and larger	\$404.88	\$415.00	\$425.38	\$436.01
Builder and Developer Frontage Charges: (based on actual frontage which directly abuts City right-of-way)				
Residential (per meter; maximum 50 meters)	\$234.33	\$240.19	\$246.19	\$252.34
Commercial, Industrial and Institutional (per meter)	\$249.23	\$255.46	\$261.85	\$268.40
Illegal Hydrant Connection Charge (charge per offence + Water consumption)	\$768.75	\$787.97	\$807.67	\$827.86
Temporary Hydrant Connection				
Hydrant connection/disconnection	\$225.50	\$405.50	\$415.64	\$426.03
Hydrant occupancy (per week)	\$41.00	\$42.03	\$43.08	\$44.16
Water consumption:				
Minimum charge (up to 300m ³)	\$999.38	\$1,155.00	\$1,183.88	\$1,213.48
All additional m ³ (per m ³)	\$3.33	\$3.85	\$3.95	\$4.05
Water Meter Installation Options (by application):				
Radio Device Wired to Outside of House	No Charge	No Charge	No Charge	No Charge
Touch Pad Wired Outside of House	Material	Material	Material	Material
Meter Pit Installation	Time and Material (\$2,500.00 deposit)	Time and Material (\$2,500.00 deposit)	Time and Material (\$2,500.00 deposit)	Time and Material (\$2,500.00 deposit)
Valve Rod Extensions (by Length):				
2 Foot	\$67.62	\$69.31	\$71.04	\$72.82
2 ½ Foot	\$68.91	\$70.63	\$72.40	\$74.21
3 Foot	\$70.18	\$71.93	\$73.73	\$75.57

Service or Activity	January 1, 2020 Charge	January 1, 2021 Charge	January 1, 2022 Charge	January 1, 2023 Charge
3 ½ Foot	\$71.47	\$73.26	\$75.09	\$76.97
4 Foot	\$72.75	\$74.57	\$76.43	\$78.34
4 ½ Foot	\$74.05	\$75.90	\$77.80	\$79.75
5 Foot	\$75.33	\$77.21	\$79.14	\$81.12
5 ½ Foot	\$76.62	\$78.54	\$80.50	\$82.51
6 Foot	\$77.89	\$79.84	\$81.84	\$83.89
6 ½ Foot	\$79.18	\$81.16	\$83.19	\$85.27
7 Foot	\$80.46	\$82.47	\$84.53	\$86.64
7 ½ Foot	\$81.75	\$83.79	\$85.88	\$88.03
8 Foot	\$83.04	\$85.12	\$87.25	\$89.43
9 Foot	\$85.60	\$87.74	\$89.93	\$92.18
10 Foot	\$88.17	\$90.37	\$92.63	\$94.95

Appendix G - 2020 to 2023 Wastewater and Treatment Schedule of Rates and Charges

1. Monthly Wastewater Usage Charges

Range within Block (m ³)	Monthly Water Consumption (m ³)	January 1, 2020 Rate (\$/m ³)	January 1, 2021 Rate (\$/m ³)	July 1, 2021 Rate (\$/m ³)	January 1, 2022 Rate (\$/m ³)	January 1, 2023 Rate (\$/m ³)
0 - 7	First 7	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
8 - 15	Next 8	\$2.0503	\$2.1016	\$2.1583	\$2.2123	\$2.2676
16 - 25	Next 10	\$2.6361	\$2.7020	\$2.7750	\$2.8444	\$2.9155
26 - 35	Next 10	\$2.9290	\$3.0022	\$3.0833	\$3.1604	\$3.2394
36 - 250	Next 215	\$1.1128	\$1.1406	\$1.1714	\$1.2007	\$1.2307
251 - 7,000	Next 6,750	\$1.0544	\$1.0808	\$1.1100	\$1.1378	\$1.1662
7,001 - 50,000	Next 43,000	\$0.9607	\$0.9847	\$1.0113	\$1.0366	\$1.0625
50,001+	Over 50,000	\$0.8553	\$0.8767	\$0.9004	\$0.9229	\$0.9460

2. Monthly Wastewater Fixed Charges

Meter Size (mm)	January 1, 2020 Monthly Charge	January 1, 2021 Monthly Charge	July 1, 2021 Monthly Charge	January 1, 2022 Monthly Charge	January 1, 2023 Monthly Charge
16 mm	\$13.72	\$14.06	\$14.44	\$14.80	\$15.17
19 mm	\$20.56	\$21.07	\$21.64	\$22.18	\$22.73
25 mm	\$34.27	\$35.13	\$36.08	\$36.98	\$37.90
40 mm	\$68.53	\$70.24	\$72.14	\$73.94	\$75.79
50 mm	\$109.64	\$112.38	\$115.41	\$118.30	\$121.26
76 mm	\$239.84	\$245.84	\$252.48	\$258.79	\$265.26
100 mm	\$411.13	\$421.41	\$432.79	\$443.61	\$454.70
150 mm	\$959.35	\$983.33	\$1,009.88	\$1,035.13	\$1,061.01
200 mm	\$1,644.58	\$1,685.69	\$1,731.20	\$1,774.48	\$1,818.84
250 mm	\$2,056.30	\$2,107.71	\$2,164.62	\$2,218.74	\$2,274.21

3. Monthly Stormwater Fixed Charges

Property Type and Size	January 1, 2020 Storm Drainage Charge	January 1, 2021 Storm Drainage Charge	July 1, 2021 Storm Drainage Charge	January 1, 2022 Storm Drainage Charge	January 1, 2023 Storm Drainage Charge
Residential, land area equal to or below 0.40 hectares without a storm sewer within 90m of property (\$/Month)	\$12.56	\$12.87	\$13.22	\$13.55	\$13.89
Land area equal to or below 0.40 hectares (\$/Month)	\$16.71	\$17.13	\$17.59	\$18.03	\$18.48
Land area above 0.40 hectares (\$/hectare/Month)	\$139.10	\$142.58	\$146.43	\$150.09	\$153.84

4. Miscellaneous Rates and Charges

4.1 Frontage Charge

Type of Sewer Connection (\$ per metre of calculated frontage)	January 1, 2020 Frontage Charge	January 1, 2021 Frontage Charge	July 1, 2021 Frontage Charge	January 1, 2022 Frontage Charge	January 1, 2023 Frontage Charge
Sanitary Sewer	\$255.05	\$261.43	\$268.49	\$275.20	\$282.08
Storm Sewer - Residential	\$236.12	\$242.02	\$248.55	\$254.76	\$261.13
Storm Sewer - All Lands excluding Residential	\$472.25	\$484.06	\$497.13	\$509.56	\$522.30

4.2 Private Drain Connection (PDC) Charges

Services provided by the Engineer - single detached residential, low density residential dwellings	January 1, 2020 Each PDC (\$)	January 1, 2021 Each PDC (\$)	July 1, 2021 Each PDC (\$)	January 1, 2022 Each PDC (\$)	January 1, 2023 Each PDC (\$)
Repair or replace existing PDC - no construction	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00

4.3 Hauled Liquid Waste Disposal

Type of Service	January 1, 2020 Rate (\$ per 1,000 litres)	January 1, 2021 Rate (\$ per 1,000 litres)	July 1, 2021 Rate (\$ per 1,000 litres)	January 1, 2022 Rate (\$ per 1,000 litres)	January 1, 2023 Rate (\$ per 1,000 litres)
Hauled Liquid Waste excluding Leachate	\$14.52	\$14.88	\$15.28	\$15.66	\$16.05
Leachate	\$26.75	\$27.42	\$28.16	\$28.86	\$29.58

4.4 High Strength Sewage Service Charge

Type of Service	January 1, 2020 Rate (\$ per m ³)	January 1, 2021 Rate (\$ per m ³)	July 1, 2021 Rate (\$ per m ³)	January 1, 2022 Rate (\$ per m ³)	January 1, 2023 Rate (\$ per m ³)
High Strength Sewage Service Charge	\$0.672	\$0.689	\$0.708	\$0.726	\$0.744



2020-2023
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