

# **2023 Budget Update**

**Ecological Community Advisory Committee**

**January 19, 2023**

# Agenda

- City of London Budget Process Overview
- 2023 Budget Update Summary
- 2023 Budget Amendments
- Looking Ahead – 2024-2027 Multi-Year Budget

# City of London – Types of Budgets

## Property Tax Supported Budget

- Operating
- Capital

Primarily funded through property taxes

## Water Budget

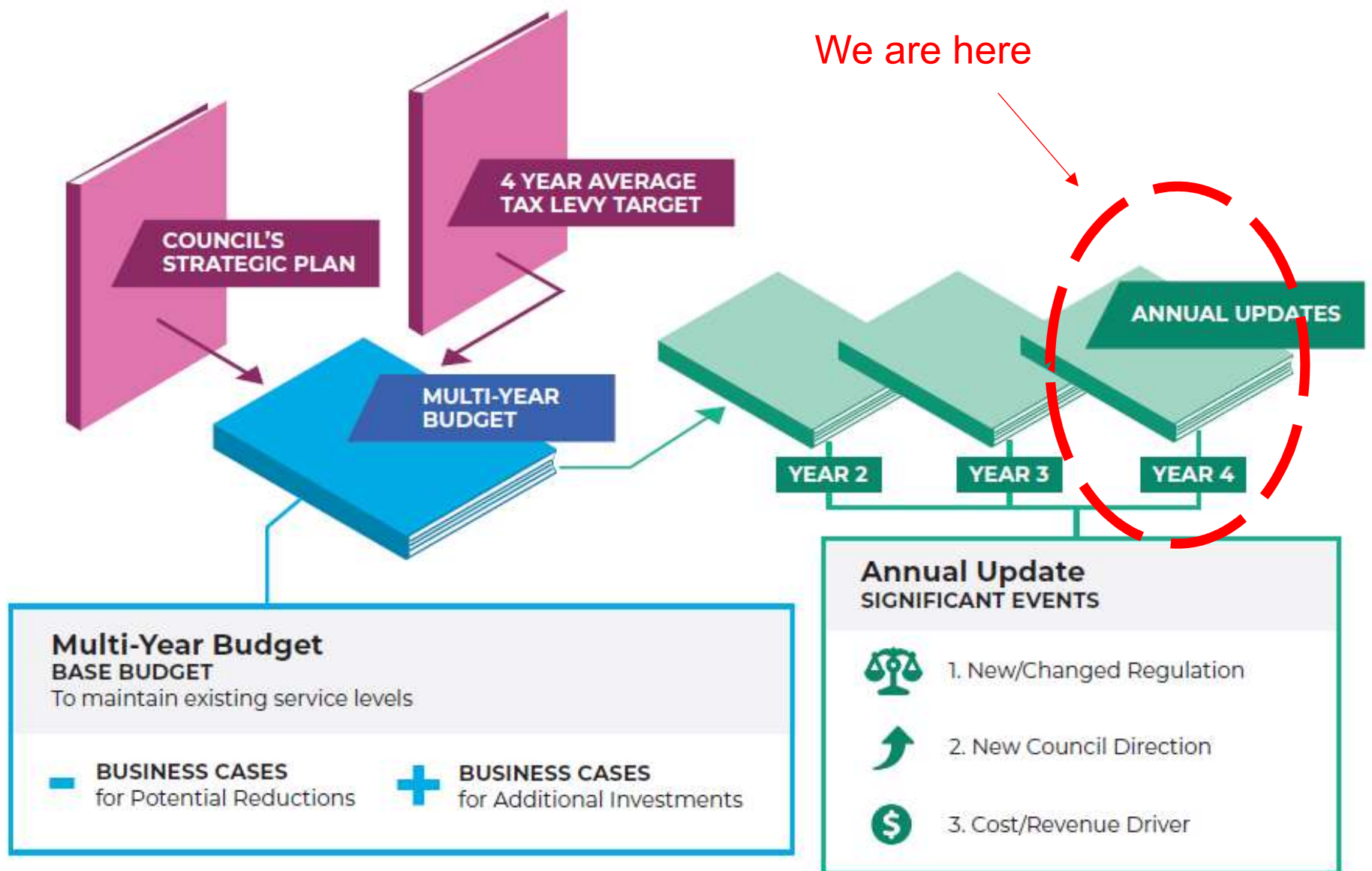
- Operating
- Capital

Primarily funded through water and wastewater charges collected on London Hydro bills

## Wastewater & Treatment Budget

- Operating
- Capital

# The Multi-Year Budget Cycle at the City of London



# Categories of Budget Amendments

## 1. **New/Changed Regulation**

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

## 2. **New Council Direction**

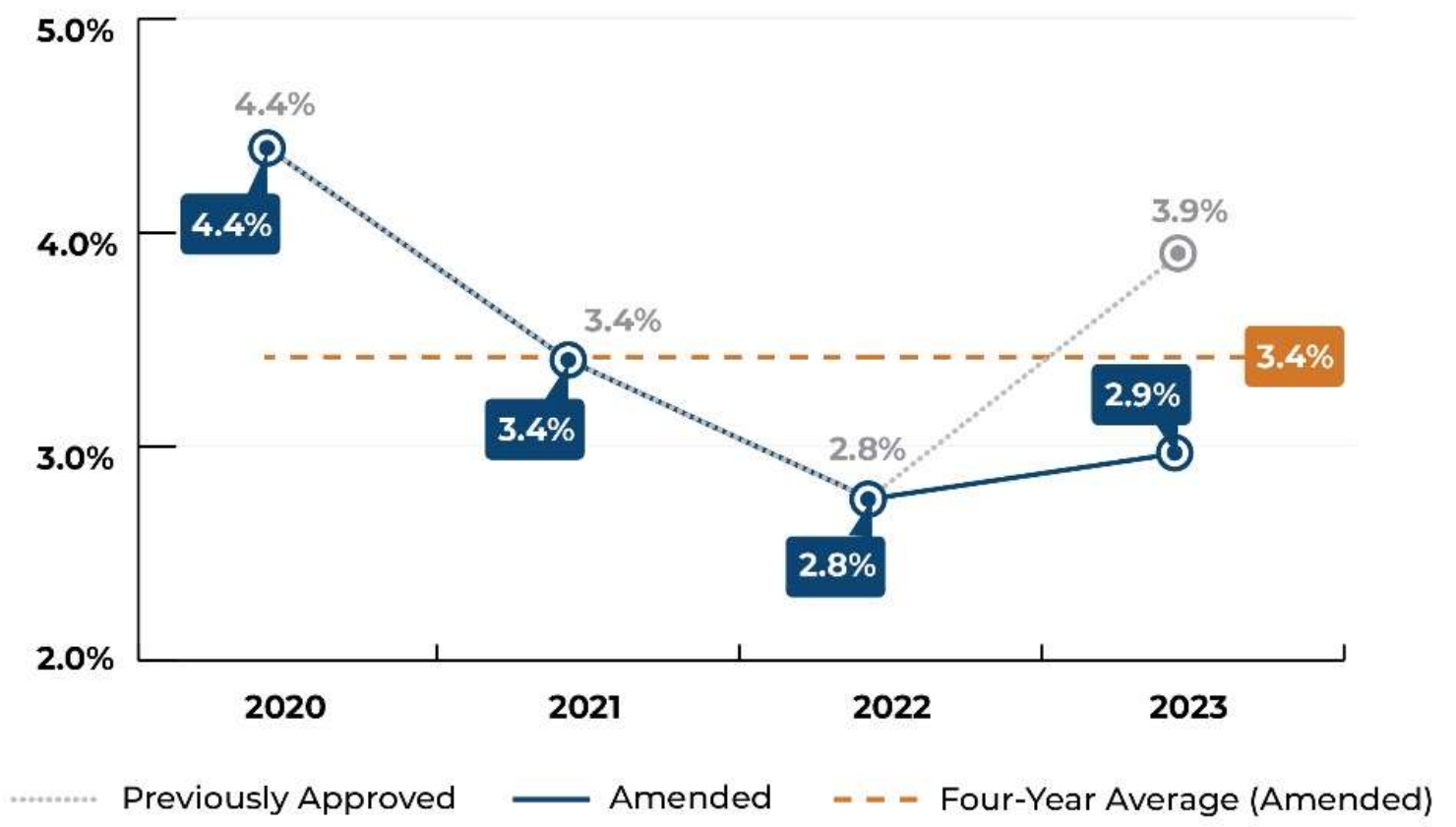
A new Council direction that has transpired after the approval of the Multi-Year Budget

## 3. **Cost/Revenue Driver**

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

# Summary of the Proposed 2023 Property Tax Supported Budget Update – As Tabled

**2020 to 2023 Multi-Year Budget Annual Tax Levy Increase**



**Average annual property owner impact: reduced from \$109 to \$101**  
 (Average residential property with an assessed value of \$241,000 in 2019, excludes Education tax portion.)

# Suggested Process for 2023 Budget Deliberations

## Step 1:

Review “Recommended” Property Tax Supported Operating Budget Amendments

## Step 2:

Review “Recommended” Property Tax Supported Capital Budget Amendments

## Step 3:

Review “For Consideration” Property Tax Supported Operating Budget Amendments

## Step 4:

Review “For Consideration” Property Tax Supported Capital Budget Amendments

## Step 5:

Review “Recommended” Water and Wastewater & Treatment Budget Amendments



# Step 1: Recommended 2023 Operating Budget Amendments (\$000's)

#	Description	Annual Tax Levy Impact	
		2023	2024 & Beyond
P-1	Reductions due to Zero-based Reviews and Other Budget Right-sizing	(\$6,581)	(\$4,996)
P-2	Ontario Works and Children's Services - Reduction in Required 2023 Investments	(\$1,030)	\$0
P-3	Roadmap to 3,000 Affordable Units – Portable Benefits & Staff Resources	\$1,794	\$1,794
P-4	Project Clean Slate	\$200	\$200
P-5	Cybersecurity Infrastructure Expansion and Updates	\$1,009	\$1,009
P-6	1001 Inventions Exhibit	\$0*	\$0
P-7	Land Ambulance – Additional Resources to Address Service Pressures	\$0**	\$0

\* \$125k total amount, recommended to be funded from Community Investment Reserve Fund

\*\* \$1.75M total amount, proposed to be funded through Assessment Growth revenues in accordance with the Assessment Growth Policy



## Step 2: Recommended 2023 Capital Budget Amendments (\$000's)

#	Description	Total Capital Budget Impact	
		2023	2024 & Beyond
P-8	Realignment and Adjustment of Transportation Capital Growth Projects	(\$10,225)	\$25,329
P-9	Project Timeline and Funding Realignment – Regeneration of Public Housing	\$21,000	(\$21,000)

**NOTE: These capital budget amendments do not have a tax levy impact.**

# Step 3: For Consideration 2023 Operating Budget Amendments (\$000's)

#	Description	Annual Tax Levy Impact	
		2023	2024 & Beyond
P-10	Reduction to Previously Approved “For Consideration” Business Cases for Streetlights and Winter Maintenance, and Walkway Maintenance Reductions	(\$936)	(\$936)
P-11	<b>Reduction in Horticulture Aesthetics</b>	<b>(\$200)</b>	<b>(\$200)</b>
P-12	Reduction to Neighbourhood Playground Program Locations	(\$250)	(\$250)
P-13	Eliminate Printing of Council Agenda Materials	(\$8)	(\$57)
P-14	Humane Society of London & Middlesex Animal Campus	\$0*	\$0
P-15	<b>Increase to Neighbourhood Decision Making Program</b>	<b>\$250</b>	<b>\$250</b>
P-16	Funding for the Hamilton Road BIA	\$100	\$100
P-17	Reduction to Previously Approved “For Consideration” Business Case – Infrastructure Gap	(\$950)	(\$950)

\* \$3.0M total amount, recommended to be funded from Community Investment Reserve Fund

# Step 4: For Consideration 2023 Capital Budget Amendments (\$000's)

#	Description	Total Capital Budget Impact	
		2023	2024 & Beyond
P-18	Streetscape Master Plan for Dundas Street – Argyle BIA	\$150	\$0

**NOTE: This capital budget amendment does not have a tax levy impact.**

# Step 5: Recommended Water and Wastewater & Treatment Budget Amendments (\$000's)

#	Description	Total Capital Budget Impact	
		2023	2024 & Beyond
W-1	Schedule Change for Springbank #2 Water Reservoir Replacement and Expansion	(\$37,581)	\$37,581
W-2	Schedule Changes for Water Growth Projects	(\$8,075)	\$8,075
WWT-1	Mud Creek East Branch Phase 2 Budget Increase & Related Project Deferrals	\$1,657	\$9,843

**NOTE: These capital budget amendments do not have an impact on the previously approved 2023 water and wastewater rate increase of 2.5%.**

# ESG Considerations in the 2023 Budget Update

- Building on the inclusion of the Environmental, Social and Governance (ESG) section in 2022 budget amendments, the format for considering ESG factors in 2023 budget amendments has been modified to provide for enhanced flexibility.
- While each amendment may not focus on all ESG aspects, all three components are considered and evaluated. Both positive and negative considerations are noted as they may apply to each amendment.
- A graphical “ESG Profile” has also been included in each amendment, highlighting the relative weights of the ESG factors in that amendment:

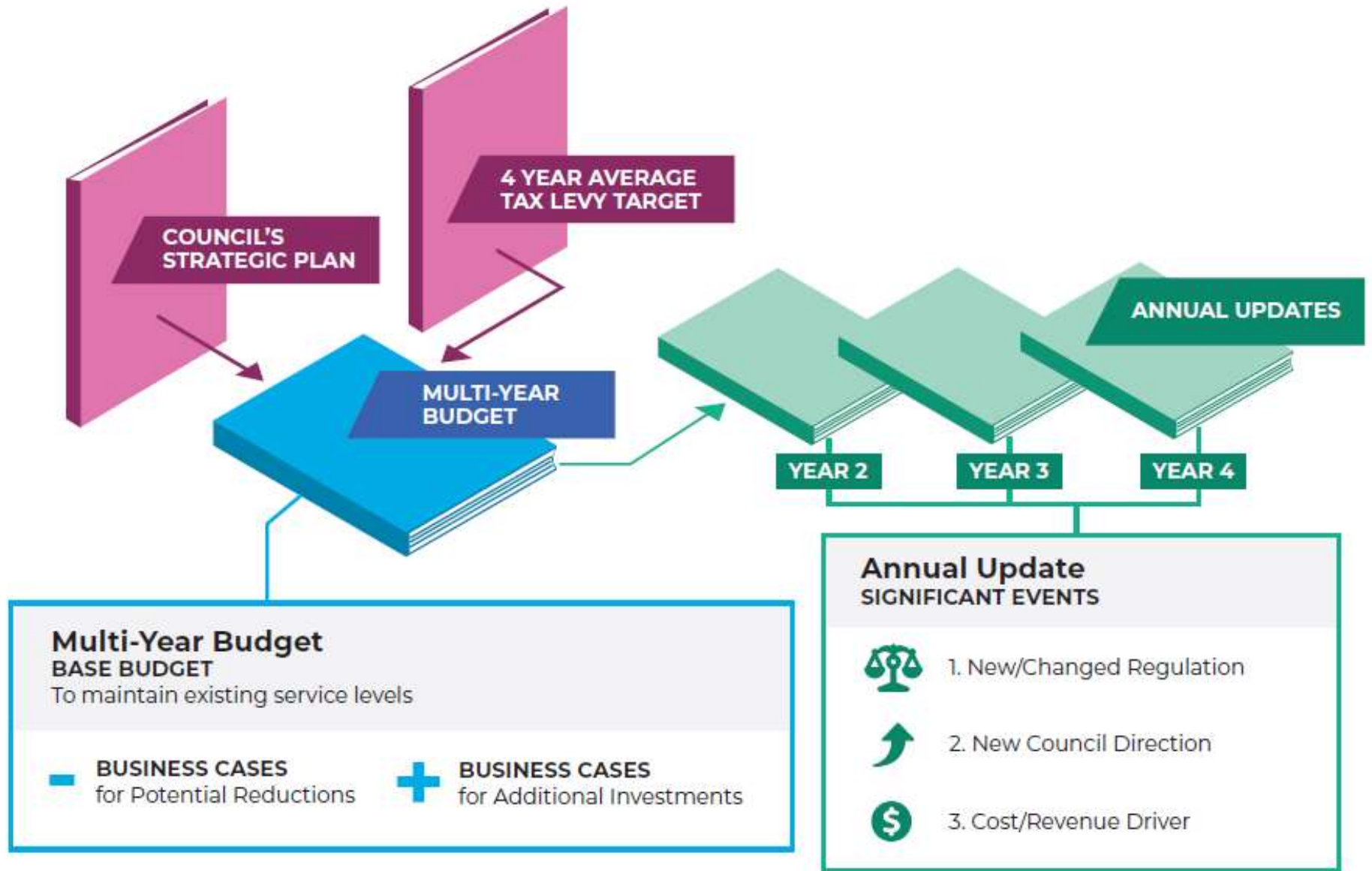


- Further integration of climate and equity impact considerations into other aspects of the City’s budgeting process (e.g., Business Plans, base budgets, etc.) will occur in preparation for the City’s 2024-2027 Multi-Year Budget.

# Key Dates in the 2023 Budget Update Process

What / Where	Date
Tabling of the 2023 Annual Budget Update SPPC at 4:00pm	December 6
Public Participation Meeting SPPC at 4:00pm	January 17
2023 Annual Budget Update Review SPPC at 9:30am	January 26 January 27 (if required)
Final Approval of the 2023 Annual Budget Update Council at 1:00pm	February 14

# Looking Ahead to the 2024-2027 Multi-Year Budget





# Looking Ahead to the 2024-2027 Multi-Year Budget

Task/Item	Date
Development of the 2023-2027 Strategic Plan	Currently ongoing
Approval of the 2023-2027 Strategic Plan	April 2023
Tax Levy Target-Setting Report	April 2023
Development of 2024-2027 Multi-Year Budget	May to November 2023
Tabling of the 2024-2027 MYB	December 12, 2023 (tentative)
Engagement on the 2024-2027 MYB	December 2023 to February 2024
Budget Deliberations	Late January/February 2024 (dates TBD)
Final Budget Approval	February/March 2024 (dates TBD)



# 2020-2023 MULTI-YEAR BUDGET

City of London



**LondonCanada**



**#Cityoflondonont**



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**getinvolved.london.ca**