



MEMO

To: London Police Service Board

From: Khaled Shahata, PhD, P.Eng.
Manager, Corporate Asset Management

Date: May 27, 2024

Re: 2024 – 2027 Multi Year Budget impact on London Police Service 10-year infrastructure Gap

Impact of the Multi-Year Budget on the Infrastructure Gap

On March 1, 2024, amendments to the Mayor’s 2024-2027 Multi-Year Budget (MYB) under the Ontario Strong Mayor’s Powers and Duties were deemed adopted.

The 2024 London Police Service (LPS) Asset Management Plan (AMP) includes the assets directly owned by LPS as of December 31, 2022. The AMP includes the funding approved as part of the 2023 Annual Budget Update. However, there are timing differences between the development of this AMP and the deemed adoption of the 2024-2027 MYB. The timing of the AMP's development and the approval dates for the 2024-2027 MYB led to the AMP not reflecting the adoption of the 2024-2027 MYB when forecasting the 10-year infrastructure gaps for LPS. Table 1 outlines the budget update and its impact on the projected gaps.

Table 1 London Police Service MYB update and its impact on the projected gaps (\$000s)

Additional Funding MYB 2024-2032 Maintain Current LOS ¹	AMP 10 years Infrastructure Gap (Maintain Current) ²	Updated 10 years Infrastructure Gap (Maintain Current)	Total Additional Funding MYB 2024-2032 ³	AMP 10 years Infrastructure Gap (Achieve Proposed) ⁴	Updated 10 years Infrastructure Gap (Achieve Proposed)
\$99,022	\$94,542	Eliminated	\$200,343	\$186,236	Eliminated

The table above illustrates changes in infrastructure funding from 2024 to 2032, reflecting adjustments made before and after the MYB. LPS approved additional funding in the MYB from 2024-2032 to maintain the current LOS, with an increase exceeding \$99 million. Total additional funding approximating \$200.3 million to address investments required to both maintain and achieve proposed LOS were approved. The projected 10-year infrastructure gap to maintain the current LOS and proposed LOS have been eliminated after accounting for the additional funding in the MYB.

The Corporate Asset Management team will be reviewing its approach to the 2024 AMP development and approvals and will be putting processes in place to ensure better alignment between future AMPs and the timing of the budget process.

¹ This represents additional funding for assets to maintain current LOS over the nine years following 2023, as defined within the scope of the AMP.

² The 10-Year Infrastructure Gap (Maintain Current) is calculated as the total Investment required to Maintain Current LOS, minus the sum of 2023-2032 Approved Budget and the Reserve Fund Availability.

³ This represents the total additional funding for assets to maintain and achieve proposed LOS over the nine years following 2023, as defined within the scope of the AMP.

⁴ The 10-Year Infrastructure Gap (Achieve Proposed) is calculated by adding the Investment required to Maintain Current LOS and the Incremental Investment required to Achieve Proposed LOS, then subtracting the 2023-2032 Approved Budget and the Reserve Fund Availability.