



# MEMO

**To:** London Transit Commission Board

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

**Date:** May 24, 2024

**Re:** 2024 – 2027 Multi Year Budget impact on London Transit Commission 10 year infrastructure Gap

## Impact of the Multi Year Budget (MYB) 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 Transit Commission (LTC) Asset Management Plan (AMP) includes the assets directly owned by LTC 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 adoption of the 2024-2027 MYB when forecasting the 10-year infrastructure gaps for LTC. Table 1 outlines the budget update and its impact on the projected gaps.

Table 1 London Transit Commission MYB update and its impact on the projected gaps (000s)

Additional Funding MYB 2024-2032 Maintain Current LOS <sup>1</sup>	Additional Funding MYB 2024-2032 Achieve Proposed LOS <sup>1</sup>	AMP 10 years Infrastructure Gap (Maintain Current)	AMP 10 years Infrastructure Gap (Achieve Proposed)	Updated 10 years Infrastructure Gap (Maintain Current)	Updated 10 years Infrastructure Gap (Achieve Proposed)
\$53,523	N/A	\$80,063	None Identified	\$26,540	None Identified

The table above illustrates changes in infrastructure funding from 2024 to 2032, reflecting adjustments made before and after the MYB. LTC approved additional funding in the MYB from 2024-2032 to maintain the current LOS, with an increase exceeding \$53.5 million. The projected 10-year infrastructure gap to maintain the current LOS is reduced from the AMP’s calculated \$80.1 million to \$26.5 million. It is noted that there was no identified gap to achieve the proposed level of service, as the Zero Emission Bus (ZEB) Pilot Program is fully funded from the 2020-2023 MYB period approved budgets.

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 budget process.

<sup>1</sup> This represents additional funding for assets over the nine years following 2023, as defined within the scope of the AMP.