

Chairperson's Presentation
2020 Municipal Operating Budget – Revised (COVID-19 Impact)
April 28, 2020

Mr. Mayor, as we know, COVID-19 has interrupted many aspects of our lives. As we all work together to support public health measures that prevent the spread of this virus, the municipal government is forced to consider the impacts and adjust its operations accordingly.

On April 9, 2020, Council discussed the impact of COVID-19 given the circumstances at that time, and it made significant decisions regarding the Town's programs, services, and events that are scheduled in the coming months. These decisions were not easy, but they are nonetheless necessary as we adjust to the new, temporary, normal.

Based on current information, it appears the province will remain under public health measures, perhaps to varying degrees, for a while yet. On April 23, 2020, VOXM News reported that our Chief Medical Officer of Health, Dr. Janice Fitzgerald, stated "...that lifting public health measures is something that needs to be done very carefully, slowly, and thoughtfully." Given this reality, and the associated uncertainty, Council's decisions on April 9, 2020, appear all the more appropriate.

The decisions on April 9, 2020, which include cancelling the 2020 summer recreation program, keeping the Fallsview Municipal Park and the community garden closed, cancelling RiverFest 2020, and adopting modified Departmental plans for the coming months, necessitated a comprehensive review of the budget. The Committee completed this work on April 21, 2020.

Council will be pleased to learn that we are, as required by law, presenting a revised balanced budget. I can summarize the changes as follows:

- Revenue is decreased by \$96,987.
- Primarily, the lost revenue is associated with poll taxes (-\$22,500) and the sale of goods and services (-\$69,148). The latter includes revenue associated with recreation/tourism-based activities.
- Generally speaking, the Committee adopted a very conservative approach to revenue projections given the uncertainty created by COVID-19; however, there are no adjustments to taxation revenue except for poll taxes.
- Expenditures are decreased by \$96,986.
- To provide Council with some flexibility to respond to unforeseen events in these uncertain times, the Committee included a "contingency fund" in the budget that totals \$30,160.
- General government expenditures were reduced by \$30,253. Adjustments are as follows:
 - Council's travel was reduced by \$4,500.
 - Office cleaning was reduced by \$8,400. The Committee is recommending that Council terminate the current service contract as of May 31, 2020. Cleaning responsibilities will be assumed by Town Office employees as an interim measure.
 - Public relations (i.e. civic events and grants) allocations were reduced by \$9,417. The Committee maintained budget allocations for activities scheduled for later in the year. The food bank grant was increased from \$100 to \$500.
- Transportation services expenditures were reduced by \$17,335. The temporary position for the Public Works Department was removed. The Committee included allocations to implement the modified operational plan for the Public Works Department, and the expenses for winter 2020 were accommodated. The Committee maintained investments

in asphalt (\$50,000) and incorporated higher spending on materials for the crack filling machine. We will also purchase additional inflow protectors to prevent stormwater from entering the wastewater system.

- Recreation services expenditures were reduced by \$81,811. The budget reflects the cancellation of the summer recreation program and the closure of the Fallsview Municipal Park for 2020. The temporary position for the Recreation Department and the new job – Recreation and Tourism Program Manager – were removed. Programming dollars are reserved for Harvest on the Exploits and Christmas on the Boardwalk. The revised budget also sustains investments in maintenance for parks and playgrounds.
- The credit card convenience fee is suspended while the *Essential Services Plan* is in effect; therefore, the Committee increased Moneris expenditures by \$11,500.

As usual, Mr. Mayor, I want to thank the Committee members for their work to revise the budget in these unusual times. Please remain safe and follow the instructions and advice of public health officials.

Revised Budget Estimates

	<u>Initial</u>	<u>Revised</u>	<u>Variance</u>	<u>Percentage</u>
Taxes	2,770,665	2,750,267	- 20,398	-0.74%
Sale of goods and services	162,314	93,166	- 69,148	-42.60%
Other revenue from own sources	128,920	121,479	- 7,441	-5.77%
Provincial grants	216,134	216,134	-	0.00%
Federal grants	140,374	140,374	-	0.00%
Transfers from reserves	-	-	-	0.00%
	<u>3,418,407</u>	<u>3,321,420</u>	- 96,987	-2.84%

	<u>Initial</u>	<u>Revised</u>	<u>Variance</u>	<u>Percentage</u>
General Government	609,695	579,442	- 30,253	-4.96%
Protective Services	96,620	96,620	-	0.00%
Transportation Services	892,784	875,448	- 17,336	-1.94%
Environmental Health	488,677	492,132	3,455	0.71%
Recreation Services	393,603	311,791	- 81,812	-20.79%
Fiscal Services	<u>937,028</u>	<u>965,988</u>	<u>28,960</u>	3.09%
	<u>3,418,407</u>	<u>3,321,421</u>	- 96,986	-2.84%