

## Report to Council

**Report Title:** Municipal COVID Operating Funding Announcement – Phase 1

**Prepared By:** Trish Serratore, Chief Financial Officer

**Department:** Finance

**Date:** August 25, 2020

**Report Number:** FIN2020-26 **File Number:** C11FIN, P03

**Attachments:** Letter from the Honourable Steve Clark

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### Recommendation:

That the Council of the Municipality of Brockton hereby approves Report Number FIN2020-26 – Municipal COVID Operating Funding Announcement – Phase 1, prepared by Trish Serratore, Chief Financial Officer, and in doing so, authorizes the CFO to establish a COVID Safe Restart Reserve Fund to transfer additional funding for future cost and operating pressures as required by the Federal/Provincial Government.

### Report:

#### Background:

On July 27, 2020, the Ontario Government announced \$4 billion in emergency assistance to support municipalities in response to COVID-19. The funding, as part of the Safe Restart Agreement, will help local governments address financial pressures related to COVID-19, maintain critical services and provide protection as Ontario safely and gradually opens.

#### Analysis:

On August 12, 2020, the Municipality received details on the Federal/Provincial Safe Restart Agreement - Municipal Operating Phase 1 funding. Under the municipal operating stream, \$1.39 billion will be available to address operating pressures and local needs. The funding will be allocated in two phases: 50% allocated in Phase 1 for all municipalities and 50% allocated in Phase 2 for municipalities that require additional funding.

Phase 1 funding will be allocated on a per household basis and the Municipality of Brockton will receive \$267,100 to support increased operating costs and pressures due to COVID-19. Staff will be required to provide a financial report on the use of these funds for the 2020 fiscal year in March 2021. If the amount of the funding exceeds the municipality's 2020 COVID-19 operating costs and pressures, the municipality is expected to place the funds in reserve to offset 2021 operating costs and pressures. Should the municipality require additional funding, application to the Phase 2 funding requires the municipality to submit a report and request for consideration to the ministry by October 30, 2020. More information related to requirements for

this report will be provided shortly and staff will evaluate the criteria and determine eligibility in advance of the deadline.

The Municipality is expected to receive Phase 1 payment in September, on the condition that the treasurer sign and return the provincial funding acknowledgement. Staff will provide Council with a detailed report outlining the allocation of the funds received.

**Sustainability Checklist:**

What aspect of the Brockton Sustainable Strategic Plan does the content/recommendations in this report help advance?

- Do the recommendations help move the Municipality closer to its Vision? N/A
- Do the recommendations contribute to achieving Cultural Vibrancy? N/A
- Do the recommendations contribute to achieving Economic Prosperity? Yes
- Do the recommendations contribute to Environmental Integrity? N/A
- Do the recommendations contribute to the Social Equity? N/A

**Financial Impacts/Source of Funding:**

- Do the recommendations represent a sound financial investment from a sustainability perspective? Yes

The grant funding will have a positive impact on the increased municipal operating costs and lost revenues due to COVID-19 while we continue to ensure that services are offered to residents in a safe manner.

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**Respectfully Submitted by:**



Trish Serratore, Chief Financial Officer

**Reviewed By:**



Sonya Watson, Chief Administrative Officer