

Subject: Safe Restart Agreement-Municipal Operating Funding

Recommendation:

BE IT RESOLVED THAT Council receive Report #2020-0145 Corporate Services; and that Council supports the assessment that the Town of Pelham's financial situation requires provincial funding under Phase 2 on the basis that the funding under Phase 1 is not sufficient to address 2020 COVID-related operating pressures. Council supports the Town of Pelham's decision to apply for Phase 2 funding.

Background:

Under the federal-provincial Safe Restart Agreement, the Ontario government is providing up to \$4 billion in emergency assistance so that municipalities are supported as they respond to COVID-19. As part of this agreement, \$1.39 billion in funding is being made available to Ontario's 444 municipalities in two phases for general municipal operating pressures. The government distributed \$695 million in Phase 1. It will be distributing \$695 million in Phase 2.

Phase 1 funding was allocated to municipalities in August 2020, on a per household basis. The Town of Pelham received \$428,500 towards the projected COVID-19 shortfall of \$669,336 as reported on the July 27, 2020 report to Council.

Analysis:

The Phase 2 funding template was released by the Ministry of Municipal Affairs and Housing on October 1, 2020. A webinar was held on October 5 discussing the application process and what items are eligible for Phase 2 funding. One of the requirements is a Council resolution that Council supports the application for Phase 2 funding based on the need of the funds. The deadline for the application is October 30, 2020.

The reporting template will have actual revenue and expenditures to September 30 and projected revenue and expenditures from October 1 to December 31. The

reporting format is based on the Financial Information Return categories. The timelines for gathering the information is tight. A decision on the amount of Phase 2 funding will be made before the end of December 31, 2020. Payments of this grant will be made in early January 2021.

Financial Considerations:

It is important for the Town of Pelham to apply for Phase 2 funding since the COVID-19 related operating pressures have exceeded the Phase 1 allocation received from the province.

Alternatives Reviewed:

N/A

Strategic Plan Relationship: Financial Sustainability

This funding is critical in order not to carryforward COVID-19 budget pressures of 2020 to be covered by the 2021 operating levy since the Town does not have any stabilization reserves.

Consultation:

The entire Senior Leadership Team was consulted in reviewing eligible financial and operating costs.

Other Pertinent Reports/Attachments:

Not applicable.

Prepared and Recommended by:

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