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**To: Committee of the Whole**  
**Author: Ryan McLeod, CPA, CA**  
**Date: October 7, 2021**  
**Subject: Allocation of Safe Restart (COVID-19) Funding**

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## **RECOMMENDATION**

That Council support the proposed allocation of Safe Restart (COVID-19) Funding for the purpose of the 2022 draft budget preparation.

## **BACKGROUND**

In response to COVID-19, the federal and provincial governments created the Safe Restart program to help Municipalities respond to the financial challenges associated with the pandemic. Based on correspondence received from the Province, these funds were provided to assist with "COVID-19 operating costs and pressures", so that municipalities could continue to deliver the services that residents and businesses rely on. Any unspent funds received in a year were to be held in a reserve for future Covid-19 related expenses.

To date the Town has received, or is expected to receive, the following payments under the Safe Restart program;

October, 2020	\$542,800
January, 2021	\$230,000
May, 2021	\$220,342
November, 2021	<u>\$220,342</u>
<b>Committed Funding</b>	<b>\$1,213,484</b>

In 2020, Administration implemented a number of cost containment measures to mitigate the financial implications of Covid-19. These measures included; lay-offs of part-time and seasonal staff, the deferral of replacement hires, and reduced maintenance activities at certain facilities and sports fields.



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As a result of these savings efforts, the Town's application of its Safe Restart funding in 2020 was limited to the following;

Direct Expenses (enhanced cleaning, PPE, office modifications, remote work IT needs)	\$139,772
Interest Waivers (on property tax accounts)	\$110,184
Lost Facility Revenue (in excess of budget)	\$76,519
<b>2020 Applications</b>	<b>\$326,475</b>

In the 2021 budget, the Town applied its Safe Restart funding as follows;

Direct Expenses (enhanced cleaning, PPE, office modifications, remote work IT needs)	\$100,000
Migrant Worker Community Grant (vaccination clinic focus)	\$10,000
Arena Revenue (top-up to pre-Covid budget)	\$64,000
Facility Revenue (top-up to pre-Covid budget)	\$67,000
Open Streets (Covid economic recovery)	\$25,000
New Hire Wages (based on % of time addressing Covid challenges)	\$22,000
<b>2021 Applications</b>	<b>\$288,000</b>
<b>% of Tax Levy</b>	<b>1.5%</b>

Without the Safe Restart Funding, the Town would have had to increase property taxes by 1.5% to provide the same level of service to its residents and businesses.

## DISCUSSION

Based on Committed Funding, less the 2020 and 2021 applications, the Town currently has \$599,009 available to apply to future COVID-19 related challenges.

The Senior Management Team (SMT) has met internally and are proposing to allocate the remaining funds in the 2022 budget as follows:

Direct Expenses (enhanced cleaning, PPE, remote work IT needs)	\$70,000
Arena Revenue (estimate a 20% reduction to pre-Covid levels)	\$56,000
Facility Revenue (estimate a 50% reduction to pre-Covid levels)	\$88,000
Vaccine Passport Screeners (Contract Positions)	\$80,000
Open Streets / Special Events (Tourism / Small Business recovery)	\$50,000



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Additional Office Space (space required to meet minimum social distance requirements)	\$100,000
Facility Improvements at Grovedale to support live concert events (Tourism Recovery)	\$50,000
<b>Proposed 2022 Applications</b>	<b>\$494,000</b>
<b>% of Tax Levy</b>	<b>2.6%</b>
<b>Unallocated</b>	<b>\$105,009</b>

The above allocations represent 2.6% of the tax levy and would take significant pressure off the 2022 budget. Without the Safe Restart Funding, it is likely that the Town would need to consider lay-offs, close certain facilities or implement other service level reductions to address the COVID-19 financial challenges.

The proposed allocations would leave \$105,009 of funding unallocated for additional or unknown challenges. At the time of this report, the Town of Amherstburg and the Municipality of Leamington are in negotiations with the County of Essex over certain expenses related to hosting the Mass Vaccination Clinics. The majority of these expenses have been paid by the County, however, it is possible that Kingsville will have to contribute to a portion of these costs.

On September 13, 2021, Council received correspondence from the Kingsville BIA, requesting that Council consider offering a financial relief grant to all businesses that have been financially impeded by the forced restrictions implemented as a result of the pandemic. It is Administration's position that a direct financial contribution to private businesses is outside the intent of the Safe Restart Program.

## FINANCIAL CONSIDERATIONS

All financial considerations are noted above.

Ryan McLeod

Ryan McLeod, CPA, CA  
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