

### Overview:

This report is to provide Council an update on the financial impact that the Covid-19 pandemic is having on Township finances. The data runs from the start of the pandemic until approximately May 31, 2020. Please note that some of these numbers are based on data from 2019 in regards to lost revenue. This report is based on the information that was available from the Township's financial system, estimates and a review of 2019 data for the same time frame.

### Library Board:

Lost Revenue:	
Fines	\$120.00
Photocopies/Printing	\$80.00
Donations	Unknow
Savings:	
Electricity	
Heating and Cooling	
Reduced Staffing Levels	
Extra Expenses:	
PPE	\$80.00
Cleaning Supplies	\$50.00
Plexiglass	\$273.00
Total Known Impact:	\$573.00

While the Library Board is responsible for their own budget Library Staff provided this information to Township Staff. It appears that the potential savings will outweigh the known impact for the Library Budget.

### Corporate and Finance

Lost Revenues	
Interest on Tax Payments	\$35,000.00
Town Hall Rentals	\$ 480.35
Commissioning/Printing/Other	\$ 200.00
Savings:	None at this time

Extra Expenses:	
IT Support	\$ 922.00
Cleaners and Disinfectants	\$ 632.88
Hand Sanitizer Bought in Bulk	\$ 356.08
Signage	\$ 150.00
Future Barrier and Rearranging of Front Counter	\$ 5,600.00
Payroll Assigned to Covid-19 for Whole Corporation	\$16,873.96
Total Impact:	\$60,215.27

Waiving of Interest on Tax Payments: Over half of the impact to the general corporation and the Finance Department is the waiving of interest penalty on late tax payments.

Staff costs and Savings: Three staff across the corporation have had childcare obligations. One staff member was on leave because they could not return to the County from a trip abroad. While not a direct financial cost, this pandemic has put additional pressure on staff as they have worked through this new reality and have found ways to provide the level of service and customer service expected by the public, this has been a success.

User Fees: Staff have not been able to provide commissioning services, document printing, faxing, book sales and merchandise sales to the public, while these did not generate large amounts of revenue, it is revenue that the Township is now going without

#### General Costs:

There has been an increase in cleaning practices to meet the new requirements, new cleaning supplies such as enhance cleaning sprays and disinfectant wipes had to be purchased across the corporation and the Township had an increased reliance on contract IT services to ensure that staff can work remotely where possible. There will be future costs to install a permanent plexiglass barrier at the front counter along with changes to ensure physical distancing can take place between patrons and staff while still ensuring an accessible environment.

## Clerk's/ Planning Department:

Lost Revenue	
Planning Fees	Unknow
Savings	Unknown
Extra Expenses:	
Zoom	\$80
Teleconferencing	\$ 616
Headsets	\$120
Survey Monkey	\$99
Total Impact	\$1,683.00

The Department is experiencing a loss of planning fees but these fees will resume once Planning Act applications begin to be accepted again. While there has been a decreased number of staff available to the Department, staff have experienced an increase in productivity while working from home as the distraction of the office are minimized.

## Parks and Recreation:

Given the closure of our community centres, parks, trails and playgrounds, COVID-19 has had an impact on the community, the staff, and the revenue to the municipality. This is captured from the Bookings in our system to date. There is also the possibility of additional bookings that were not taken due to the suspension of the parks and facilities.

## Revenue loss:

The following table presented multiple revenue loss scenarios based on the length of time that rentals are not able to take place because of Provincial Orders and Peterborough Public Health directives. For the purposes of this report, we will be looking at the impact of the March to May 31, 2020 impact for lost revenues.

<b>March - May 31st</b>	<b>Hrs</b>	<b>Sub</b>	<b>Tax</b>	<b>Total</b>
Harvest Rm	38	\$490.37	\$63.75	\$554.12
Wellington Rm	27	\$773.86	\$100.60	\$874.46
Ice Surface	106	\$13,500.08	\$1,755.01	\$15,255.09
Dry Floor Surface (DCC)	56	\$2,211.00	\$287.44	\$2,498.44
Dry Floor Surface (WCC)	75	\$2,802.00	\$434.26	\$3,166.26
South Park (Season)	6	\$400.00	\$52.00	\$452.00
				<b>\$22,800.37</b>
<b>March - June 30</b>	<b>Hrs</b>	<b>Sub</b>	<b>Tax</b>	<b>Total</b>
Harvest Rm	46	\$510.37	\$66.35	\$576.72
Wellington Rm	27	\$773.86	\$100.60	\$874.46
Ice Surface	106	\$13,500.08	\$1,755.01	\$15,255.09
Dry Floor Surface (DCC)	94	\$4,377.00	\$569.04	\$4,946.04
Dry Floor Surface (WCC)	88	\$3,452.00	\$448.76	\$3,900.76
South Park (Season)	18	\$400.00	\$52.00	\$452.00
				<b>\$26,005.07</b>
<b>March - July 31st</b>	<b>Hrs</b>	<b>Sub</b>	<b>Tax</b>	<b>Total</b>
Harvest Rm	46	\$510.37	\$66.35	\$576.72
Wellington Rm	27	\$773.86	\$100.60	\$874.46
Ice Surface	106	\$13,500.08	\$1,755.01	\$15,255.09
Dry Floor Surface (DCC)	152	\$6,465.00	\$840.50	\$7,305.50
Dry Floor Surface (WCC)	145	\$4,802.00	\$624.26	\$5,426.26
South Park (Season)	33	\$400.00	\$52.00	\$452.00
				<b>\$29,890.03</b>
<b>March - August 31st</b>	<b>Hrs</b>	<b>Sub</b>	<b>Tax</b>	<b>Total</b>
Harvest Rm	46	\$510.37	\$66.35	\$576.72
Wellington Rm	27	\$773.86	\$100.60	\$874.40
Ice Surface	106	\$13,500.08	\$1,755.01	\$15,255.09
Dry Floor Surface (DCC)	259	\$9,804.00	\$1,274.58	\$11,078.58
Dry Floor Surface (WCC)	145	\$4,802.00	\$624.26	\$5,426.26
South Park (Season)	45	\$400.00	\$52.00	\$452.00
				<b>\$33,663.05</b>

## Savings:

<b>SAVINGS</b>		<b>approximate</b>
Staffing Reduction with closure DCC	140 hours	\$ 2,800.00
Hydro Reduction with closure DCC (March)	22 days	\$ 10,000.00
Hydro Reduction WCC (June/July/Aug)	\$1,800 per month	\$ 5,400.00
Porta potties -10 locations 5 months	\$100 per month	\$ 5,000.00
Ball Diamond - Hydro, Lights	Season	\$ 600.00
Seasonal Staffing	2 summer labours	\$ 13,050.00
		<b>\$ 36,850.00</b>

This is estimates of the savings that have been a result of the closure. At this time the savings currently outweigh the lost revenue costs. As a result of COVID-19, all cleaning and disinfecting levels must improve in our public spaces. In the Recreation Industry, there is an expectation that this will affect staffing levels, staff training, products used, and equipment. This may result in the need to increase staffing numbers, and enforcement of pre-requisites for facility and cleaning training. Essential equipment may be necessary to purchase to facilitate the new cleaning regiment which is in line with health and safety requirements and Provincial and Public Health directives.

## Fire Department:

Fire Department	
Loss of Revenue:	None
Savings:	None
Additional Expenses:	
Enhanced Station Cleaning	\$ 480.00
Additional PPE	\$ 1806.64
Total Impact	\$ 2,286.64

## Public Works and Hall's Glen Transfer Station:

Public Works	
Loss of Revenue:	
Tipping Fees	\$ 449
Savings:	
Delay of Summer Staff Hiring	\$ 10,000.00
Extra Expenses	
Debit Machine for Transfer Station	\$ 165.00
Additional PPE	\$ 1,293.00
Additional Cleaning Supplies	Captured under Corporate costs
Had staff member from Transfer station complete deep clean of work sites and equipment	Captured in Payroll expenses
Transfer of 1 part-time staff from Parks and Rec to Public Works	Captured in Payroll expenses
Added Use of Vehicles	\$111.00
Plexiglass and signs for Transfer Station	\$193.19
Total Known Impact	- \$7,788.81

There has been an increase in overtime hours as seasonal staff have not yet been put in place. The assistance of a part-time staff member from the Parks and Recreation Department has assisted in keeping projects on track until seasonal staff are in place. One seasonal member joined the Department on June 1 and the second seasonal staff member will be in place by late June. The lack of seasonal staff has also provided a savings and should the Township receive a grant from the Canada Summer Jobs program, much of the seasonal staff costs will be recouped.

## Building and Sewage Department:

Loss of Revenue:	
Building Permit Fees	\$61,000.00
Savings:	
Reduction in Legal Costs	\$30,000.00
Additional Expenses	None
Total Known Impact:	\$ 31,000.00

Last year, by the end of May, Staff had issued 34 building permits and received about \$90,000 in revenue. This year the Department has processed 26 building permits in the same period with only \$25,000 in revenue received, and about \$4000 in receivables.

It is anticipated, due to the reduction in Court time, that our legal expenses (budgeted at \$40,000), should be significantly reduced. There is one large active file, but it likely won't see Court time this year. Staff would anticipate a budget of \$10,000 to be adequate. With respect to Revenue, Building Permit issuance is reduced at this time. The Department is presently experiencing a year over year reduction of approximately 25% less permits, with 70% less revenue.

As Staff were unable to issue permits during the better part of the last two months, it is anticipated that revenue for June/July/August will be higher than 2018/2019 averages as some applications continue to come in. With global investment portfolios having been impacted, and a larger number of our clientele are often those with significant financial resources, Staff would not be hopeful that the revenue will return to normal this year as those individuals will likely be postponing expenditures on their recreational properties. Therefore, Staff would anticipate a year end reduction of about 40% of the budgeted revenue, but it may be as high as 60%. The Department has continued with the Septic Re-inspection program this year, which is anticipated to bring about \$52,000 in revenue.

To provide summation, the Department's expenses will likely be \$30,000 less than budgeted, while staff would anticipate a reduction in building permit revenue of 40-60%. The Sewage Department expenses nor revenue are not likely to be impacted during this time.

The budgeted expenses were \$266,000, less the \$30,000 would be \$236,000, plus indirect costs of \$60,000 for a total of \$296,000. It is generally anticipated that the revenue equals the expenses, therefore the Department would have budgeted \$326,000 for revenue, but will likely see a reduction of 40-60%, or \$130,000 to \$196,000.

The Sewage Department expenses are stationary and should be \$93,000. The permit revenue plus re-inspection program would be \$93,000.

For the total, the Department expenses should be \$389,000 for both departments with a combined revenue of \$289,000.

Department	Budgeted Expenses	Anticipated Expenses	Budgeted Revenue	Anticipated Revenue
Building	\$326,000	\$296,000	\$326,000	\$196,000
Sewage	\$93,000	\$93,000	\$93,000	\$93,000
<b>Total</b>	<b>\$419,000</b>	<b>\$389,000</b>	<b>\$419,000</b>	<b>\$289,000</b>
	Difference:	\$30,000	Difference:	\$130,000

Therefore, the anticipated net loss at 40% would be \$100,000. At 60% reduction in building permit revenue, the net loss would be \$166,000.

### **Conclusion:**

Department	Total Impact
Public Library	\$ 573.00
Corporate and Finance	\$ 60,215.00
Clerk's/ Planning	\$ 1,683.00
Parks and Recreation	-\$ 14,049.63
Fire Department	\$ 2,286.64
Public Works/Transfer Station	-\$ 7,788.81
Building and Sewage Department	\$ 31,000.00
<b>Total Impact:</b>	<b>\$ 73,919.20</b>



**Recommendation:**

That the C.A.O.-2020-24 report, dated June 5, 2020 regarding the financial impact of Covid-19 be received, that staff continue to monitor the impact of Covid-19 on the Township finances and that an updated report be brought back to the next regular Council meeting.

**Financial Impact:** \$73,919.20 at the present time.

**Strategic Plan Applicability:**

To ensure and enable an effective and efficient municipal administration.

**Sustainability Plan Applicability:** N/A