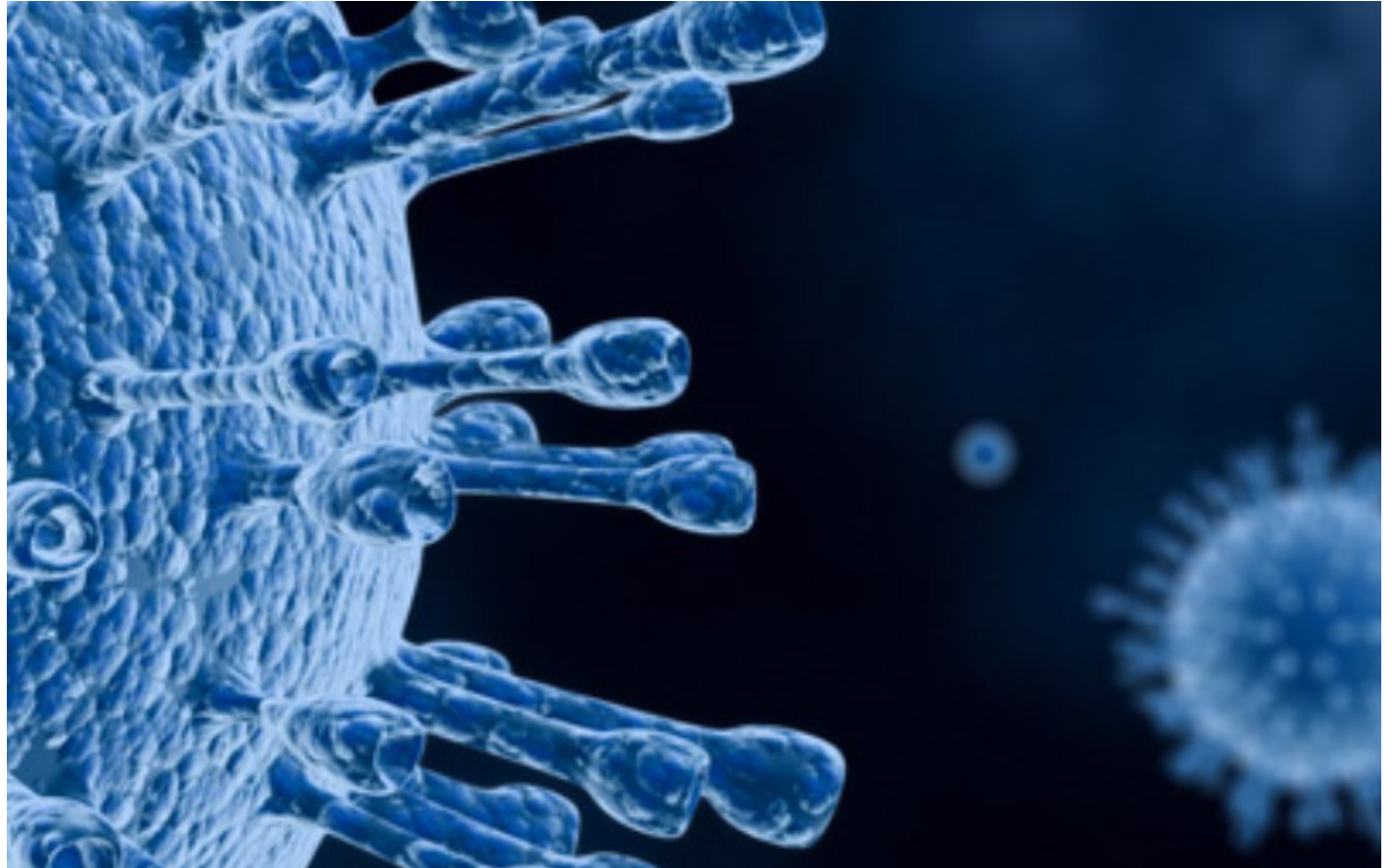
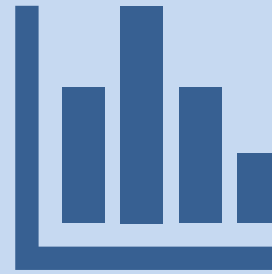

Update and Management of the Financial Impact of COVID 19

Presented to Council
June 11, 2020



Key Highlights

- Longest economic expansion on record Ends with the estimated onset of a recession
- 50,500 residents left the labour market by April; May – 64,700
- 20,000 manufacturing jobs lost by April; May – 26,000
- Accommodation and Food Services lost over 20,000 jobs by April; May – 30,500
- Province launches Phase I of reopening the economy – May 19

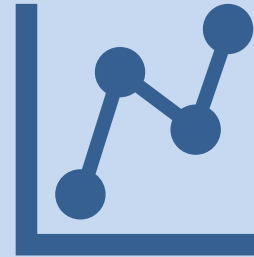


Labour Market Deteriorating

Economic Impact

Key Highlights

- Estimated impact of development charges will be longer than initially thought
- Capital Construction Task Force is reviewing and prioritizing development charge funded capital projects
- Goal is to align expenditures with projected revenue
- Strategy to manage cash flow risks will be provided to Council July 9th



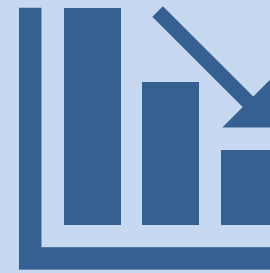
(\$700 M) DC

Est.

**Capital Cash Flow
2020 – 2024**

Key Highlights

- Costs for frontline services continue to be incurred for PPE, cleaning and staffing but at a more stable rate
- Minor loss in user fees from lower activity
- Forecasted impact for housing subsidy lower than initially estimated
- Estimated costs for the provision of child care for front line workers has increased with no confirmation of funding from the Ministry



(\$38.7 M)

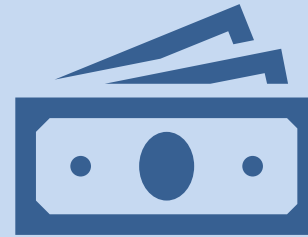
Tax Supported \$24.3M

Utility Rate \$14.4M

**Forecasted Deficit
To December 31, 2020**

Key Highlights

- Seeing increased savings from TransHelp due to lower trip demand
- Redeployment of staff to support COVID continues
- Reduced discretionary spending in all services e.g. training, not filling vacancies, pausing of activities
- Some vacancies will remain unfilled
- Priority to continue looking for opportunities to save using LEAN and other approaches



\$27.8 M

Costs Avoided

Key Highlights

- Reaching Home - \$5.85 million
- Social Services Relief Fund - \$6 million
- \$98,000 from Canadian Medical Association Foundation for Community Response Fund
- Long Term Care allocated additional funding of just under \$1 million for a total \$1.2 million
- No confirmation yet of COVID funding for Paramedic Services and Public Health
- Federal Gas Tax funding for 2020 advanced, no new funds announced



+\$13.1 M

External Funding

Summary of Impact

Managing Financial Impact



- Forecasted deficit is \$8.4 million lower
- Continue to find ways to manage expenditures
- Capital Construction Task Force will report to Council in July on the proposed strategy to manage cash flows and financial flexibility
- Advocacy required to ensure Peel receives appropriate funding support

Strategies to Support Municipal Fiscal Sustainability

Short Term

- Secure Federal & Provincial Funding for:
 - incremental costs and loss of revenue associated with the COVID-19 pandemic
 - staffing to support permanent improvements for infection control in Long Term Care
 - infrastructure funding to stimulate economic recovery including water, wastewater, roads, affordable housing and waste management infrastructure

Medium Term

- Review of provincial-municipal responsibilities in Ontario for planning, regulating, funding and delivering services with a goal to remove funding of income tax redistribution programs from the property tax

Long Term

- Municipalities share in Canada's and Ontario's economic growth and prosperity (recognizing the digital economy, changing nature of employment and impact to municipal revenue)
- Municipalities have access to a range of progressive and diversified source of revenue tools