

Municipality Of Chatham-Kent

Finance, Budget, Information Technology & Transformation

Administration

To: Mayor and Members of Council

From: Gord Quinton, MBA, CPA, CGA
Chief Financial Officer / Treasurer /
GM, Finance, Budget, Information Technology & Transformation

Date: October 2, 2020

Subject: Covid-19 – Facility Reopening

Recommendations

It is recommended that:

1. The Executive Management Team continue to re-open public facilities where possible under 2020 approved budget service levels, for the remainder of 2020, where warranted by demonstrated community demand, and where allowed under Covid-19 Public Health Restrictions.
2. Safe Restart Funding from the Federal and Provincial governments be considered to augment the municipal budget for the remainder of 2020 where Covid-19 related additional costs or revenue losses would otherwise make the facility unviable.
3. Council consider funding 2021 Covid-19 additional cost and revenue losses in the 2021 budget, to have the funds to keep the facilities open until the pandemic ends.

Background

At the September 21st Council meeting, Council directed administration to bring a report to the October 5th meeting with recommendations on using the Safe Restart Funding to supplement municipal budgets to allow facilities to re-open if safe to do so.

Comments

Public safety during the Covid-19 pandemic is the priority of municipal staff across the organization. As conditions change locally there remains a need to be flexible and to adapt to the current conditions and Public Health requirements. Facilities may have to close again depending on Public Health directions from Dr. David Williams at the Ontario level or Dr. Colby at the local level. In addition, demand for services may remain low while citizens protect themselves from potential infection. For these reasons, there is not a set schedule of re-openings.

Administration is concerned with the expectation to spend 2020 budget dollars on re-opening facilities where there is low demand due to the Covid-19 pandemic. However, with the arrival of the Safe Restart Funding from the Federal and Provincial governments, there is available funding to cover the 2020 losses. At the time of writing, there is no commitments of upper level funding to assist 2021 operating budget. This may end up in the need to close facilities in 2021 again for lack of budget if user levels remain low at certain facilities.

Council directed the opening of all arenas at the September 14, 2020 Council meeting so they are excluded from this report and will remain open until the end of the year if demand for ice remains, with the operational losses covered by the 2020 Safe Restart Funding.

Community Attraction and Leisure Services

The CALS group have put together a document attached as Schedule A where they indicate the specific issues and barriers in returning services to normal. With Covid-19 health restrictions it is not being recommended to restart programming at this time. For example, indoor pools are being reopened for lane swims only with no instruction programs.

Library Service

All library branches have been opened for curbside service at indicated hours. Libraries are beginning to offer limited services inside library locations with additional health and safety measures in place. Visit length is limited and many normal services are currently not available. Up to date information can be found on the Chatham-Kent Library website link. [Chatham-Kent Public Libraries / What's-happening](#)

Child Care and Early Years

Child care service have been re-opening where possible across Chatham-Kent. However, as there are significant cost implications and Public Health Covid-19 restrictions, the number of child care spaces have been impacted. For the most up to date information on Child Care in Chatham-Kent website link. [Childcare in Chatham-Kent](#)

The Early Learning Program is currently on hold during the pandemic as it is not a mandated service. The priority focus for childcare has been given to families trying to resume employment or school as per the Ministry directives. Childcare centers are short staffed due to Covid-19 with some staff not returning to work and more staff required due to increased screening, cleaning and monitoring requirements.

Areas of Strategic Focus and Critical Success Factors

The recommendation in this report supports the following areas of strategic focus:

Economic Prosperity:

Chatham-Kent is an innovative and thriving community with a diversified economy

A Healthy and Safe Community:

Chatham-Kent is a healthy and safe community with sustainable population growth

People and Culture:

Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community

Environmental Sustainability:

Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendation in this report supports the following critical success factors:

Financial Sustainability:

The Corporation of the Municipality of Chatham-Kent is financially sustainable

Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

Has the potential to support all areas of strategic focus & critical success factors

Neutral issues (does not support negatively or positively)

Consultation

The Executive Management Team and Senior Management Team provided information in this report.

Financial Implications

There is no financial implications of this report. For 2020, the loss of revenues or increased costs of providing services will be covered by the 2020 approved budget or by using Safe Restart Funding if needed. There may be 2021 budget impacts for ongoing 2021 operations.

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Attachments: Schedule A – CALS Covid-19 Operations

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RECREATION SERVICES PROGRAMS

The following chart shows that if all Recreation Pre-Covid-19 programs and services were offered in the fall, there would be an estimated increase of \$50,000 due to further increased expenses and reduced revenues.

Program	2020 Net Budget – January to December	2020 Net Budget – October to December (Estimated)	*2020 Estimated Net if Full Programming with Covid Measures Oct to Dec	Variance	Why it's not possible or advisable to go to pre-covid levels for the rest of 2020
Blenheim Pool	436,582	109,146	140,198	(31,053)	<ul style="list-style-type: none"> • Advisable to open the pools slowly to ensure safety procedures and processes are tested and evaluated then increase programs over time • A full service level with Covid processes in place would increase the number of aquatic staff exponentially, with the non-ability to recapture some of these expenses due to restrictions in the number of people allowed in the pool • All program staff are focused on opening pools. There are not enough staff at present to implement adult, youth and preschool dryland programs until pools are fully operational.
Wallaceburg Pool	204,944	51,236	63,136	(11,900)	
Adult, Youth and Preschool Programs	(45,773)	(11,443)	(5,733)	(5,710)	
Total	595,753	148,938	197,601	(48,663)	

*Assumptions: Assumes full 2020 programming in place for October to December, but with 10% increased expenses due to more staff required for social distance measures, and 75% reduction in revenues because can't have as many people in the pool

ARTS and CULTURE

The following chart shows there would be an increase in expenses from a partial fall opening to a full fall opening (where possible).

	Budget 2020 Annual	Budget 2020 Oct-Dec	Dec Variance 2020 Original	Dec Variance 2020 Revised	Full resumption of services impact	
Theatres	-275,797	-68,949	1,440	9,464	8,024	Theatres open for rentals: however, all existing bookings postponed to 2021, and new show bookings unlikely till 2021 due to COVID restrictions (ie gathering limit of 50 re: ticket revenue potential, complete separation via impermeable barrier re: singing/wind instruments). Internal presentations postponed to 2021 due to artist touring limitations and logistics. Movies in Capitol expected to resume ASAP; modified concession service and extra staffing will negate gains lost due to cancellations between March and September. Room rentals have resumed with restrictions on attendance due to distancing.
Gallery	-21,304	-5,326	3,802	1,650	-2,152	Summer camps and school programming were cancelled for 2020 (combination of teachers' strike and COVID). No bookings of in-school events expected until 2021. Could potentially recoup some lost programming revenue by resuming full public programming this fall, but must factor in extra staffing and cleaning protocols.
Museum	-14,129	-3,532	-2,558	-500	2,058	Summer camps and school programming were cancelled for 2020 (combination of teachers' strike and COVID). No bookings of in-school events expected until 2021. Could potentially recoup lost programming revenue by resuming full public programming this fall, but must factor in extra staffing and cleaning protocols.
ARTspace	-8,396	-2,099	6,750	12,750	6,000	Costs to reopen immediately with required staffing costs, plus artist and exhibition production costs for a fall exhibit .
Milner House	18,286	4,572	9,091	10,000	909	Closed for season; costs for opening for a special Christmas Open house
Ridge House	76,852	19,213	44,520	48,972	4,452	Closed for season; costs for opening for a special Christmas Open house
Total	-224,488	-56,122	63,045	82,336	19,291	