

BRIEFING

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Item 7.2.1

Chief Financial Officer's Briefing to

Combined Meeting of Council
2020 May 25

ISC: UNRESTRICTED
C2020-0586

COVID-19 Service Plan and Budget Update - May

PURPOSE OF BRIEFING

This report provides updated information on: the current service and financial impacts due to COVID-19; and a 2020 year-end projection assuming the current state persists until the end of June 2020. Supporting a coordinated corporate response to the emergency, we will provide monthly updates to Council.

SUPPORTING INFORMATION

On 2020 April 30, Administration presented C2020-0504 2020 Initial Scenario Forecasts in Response to COVID-19, on the financial and service impacts associated with the COVID-19 emergency. The report detailed both the impacts that had already occurred and the additional projected impacts to the end of 2020.

This May update includes slightly modified assumptions and only one time horizon: current state of local emergency and Alberta Health Service (AHS) public health orders remain in effect until the end of June 2020. Services have provided updated projections about the anticipated service and financial gaps and Temporary COVID-19 service changes to the end of 2020.

COVID-19 Service Plan and Budget Update - May

Many service impacts are unchanged from those presented on 2020 April 30, however there are some notable changes:

- The projected year-end financial gap increased by \$13 million.
 - Projected revenue has decreased by \$20 million, primarily due to lower revenue projections from Public Transit and Council approved relief packages.
 - This is partially offset by expenditure savings in other services.
- Temporary COVID-19 changes (including use of reserves for relief packages) and other savings increased by \$5 million and \$8 million respectively to close the financial gap.
- Calgary Transit has removed some routes and reduced frequency on others.
- The Blue Cart Program sorting facility temporarily reduced receiving capacity.

Relaunch strategies and actions are not included in this update. Administration is currently working with Service Owners to understand the performance and financial impacts of the evolving relaunch activities and the June update will include this information.

Iterative approach

This update presents the best current estimates of the impacts, but highlights that information is continually evolving. As more information becomes available there will be further refinement of projections, so that the emerging picture becomes more accurate over time. Administration's next update of this information will be presented in late June.

ATTACHMENT

1. Attachment 1 – C2020–0586 COVID-19 Service Plan and Budget Update-May