

COVID-19: Response Update

City Council
April 8, 2020



Our People

COVID-19 - Human Resources Response

Initial Response

- Actively supported Ottawa Public Health's guidance and recommendations including physical (social) distancing measures to help flatten the curve
- Maximized the City's ability to continue to deliver essential services while preserving the City's workforce

Strategy for Workforce Business Continuity

- Preserve and protect our most valuable asset: our people
- Ensure that we continue to put service to our community and employees first, maximize job stability, deliver essential services and adapt to evolving city and community needs
 - **Pillar 1: Engage and enable**
 - **Pillar 2: Redeploy employees to essential service roles**
 - **Pillar 3: Balance financial pressures with current and future needs**

Strategy for Workforce Business Continuity

Engage and enable: Focus on retention, engagement, and productivity

Employee and manager communications

- Regular dialogue between management and employees to ensure productivity
- Tools and supports providing up-to-date practical guidance through corporate communication channels including ottawa.ca, Employee Communications, SharePoint and Ozone

Collective bargaining agents

- Active engagement with collective bargaining agents

Remote work environment

- Employees directed to work from home where operationally feasible
- Alternate work arrangements and flexible hours made available to accommodate child care needs
- Tools and resources to optimize employee effectiveness while working remotely
- Technology enablement; maximizing use of Office 365 tools and VPN access

Strategy for Workforce Business Continuity

Engage and enable: Focus on retention, engagement, and productivity

Health, safety and wellness

- Implementation of physical (social) distancing measures
- Closures of City facilities and cancellation of programming
- Deployment of personal protective equipment (PPE) for essential and emergency services
- Increased cleaning of all high-traffic areas and touch points at City-owned buildings, OC Transpo buses and trains (including Para Transpo vehicles) and fleet vehicles
- Standardized screening process to keep employees safe and healthy at work
- Updated return-to-work guidelines and simplified sick leave certification process

Mental health strategy

- 24/7 access to the City's Employee and Family Assistance Program
- Active support and ongoing dialogue between management and staff to monitor mental health in the workforce
- Calendar of events with messaging, articles and webinars about stress, financial supports, social connection while social distancing and physical health

Strategy for Workforce Business Continuity

Redeploy staff to essential services

The City is in consultation with our union partners regarding staff redeployment to support the emergency response and delivery of essential services (including Ottawa Public Health) - this is an ongoing process as the situation evolves

Assess current workforce

- Maintain healthy workforce to ensure continuity of services
- Awareness of potential staffing needs in a changing environment – spring freshet
- Identify critical services and staffing needs/gaps
- Identify employees who can continue to work in their current role for an extended period of time

Identify redeployment opportunities

- Identify employees who can be redeployed to critical and essential services and address evolving needs
- Consider innovative and alternate ways of delivering service to optimize redeployment
- Develop a simplified skills inventory, technology requirements and enablers and coordinated reassignment process

Strategy for Workforce Business Continuity

Balance financial pressures with current and future needs

- Ensure service continuity and responsiveness by adhering to the philosophy of *putting our people first*
- Recognize the organization will be a major enabler in the overall economic recovery of the City of Ottawa
- Plan ahead and prepare to return to normal operations by reopening and reestablishing services in a thoughtful and phased approach
- Develop ongoing strategies to keep employees healthy and safe and ensure the full complement of City resources are optimized
- Temporary workforce adjustment made in the best interests of City employees

April 6 Temporary Workforce Adjustment

- The closure of City facilities, services and large public gatherings has been extended until June 30, 2020
- Due to the closure of City facilities and cancellation of programming, many part-time employees are without work
- In partnership with CUPE 503, approximately 4,000 part-time Recreation, Cultural and Facility Services (RCFS) employees and approximately 280 part-time Ottawa Public Library (OPL) employees have been placed on unpaid, job-protected legislated leave, or declared emergency leave, under the Employment Standards Act
- Staff will retain their status as City of Ottawa employees, allowing part-time employees to apply for federal supports while facilities remain closed
- Employees must sustain themselves through this period and come back ready to deliver the services and programming the community relies on when facilities reopen
- The City will continue to actively engage and collaborate with the collective bargaining agents

Our Community

Our Community: Human Needs Task Force

Environmental scan

- Impact of COVID-19 emergency on community services – social services, long-term care, emergency housing and shelter services, child care
 - Most affected, vulnerable residents are the least able to proactively self-isolate, practice physical (social) distancing, ‘stock up’ on resources
 - Staff at the City and community agencies are providing direct personal support to these high-risk populations with guidance from Ottawa Public Health
- The forced ‘pause’ in the local economy means many other residents in a newly vulnerable position
 - Job loss, income loss, uncertain timelines for receiving funding support and return to normal

Our Community: Human Needs Task Force

Coordinated, intergovernmental and interagency approach:

- All levels of government working with community agencies to provide direct income, food and shelter support to the vulnerable and the forced unemployed and to take proactive public health measures in those communities
 - Crisis funding provided to individuals, agencies, municipalities
 - General approach: enable the service providers to deliver the services they are set up to provide, coordinate not duplicate, eliminate barriers as much as possible, identify and communicate gaps across jurisdictions, rapid response and emergency planning
- The City has different roles in this effort
 - Leadership
 - Coordination
 - Direct service delivery

Week 4 Status Update – Highlights

Protecting health in City facilities serving at-risk populations

- Proactive, enhanced public health measures in place at all long-term care homes, shelters, emergency child care centres
 - Proactive screening, limiting contact to essential workers, keeping workers supporting the same people as much as possible
 - Enhanced cleaning
 - Enhanced security
 - Effective isolation facilities and practices

Enhanced financial supports / urgent support to newly-unemployed by COVID-19

- Over 45% increase in applications to new COVID-19 benefits

Emergency child care for essential workers

Addressing Immediate Community Needs

New partnerships, funding and collaboration to address immediate need for

- Food security
- Outreach to isolated at-risk residents
- Volunteer management
- Portable washrooms
- Urgent transportation

Rural emergency information and outreach in partnership with Red Cross and service providers to begin in West Carleton

Addressing Immediate Community Needs

Housing and homelessness needs

- The City has distributed \$1.75 million to housing and homelessness partners for priority needs such as food supplies and vouchers, added staffing and security, cleaning supplies and services, personal protective equipment (PPE) and IT equipment
- Focus on solutions to address physical (social) distancing and isolation needs in our single shelters, family shelter, motels and hotels, and residential facilities
 - Additional 78 hotel rooms added to existing capacity
 - 31 families moved into these rooms to increase physical distancing in motels
 - Additional 200 beds to be added to our existing shelter capacity through city facilities, universities, and additional hotels
 - Expanding our isolation capacity for singles and families
- Ongoing supports for residents living in rooming houses, including the need to identify a strategy to ensure the safety of support workers making direct contact

Emerging Needs/Gaps

- Personal protective equipment (PPE) – including masks, eye protection, gloves, and hand sanitizers
- Food banks bulk food reserves – including perishable and non-perishable items
- Transportation vehicles – designed to ensure there is a physical barrier between the driver and client and that the vehicle can be adequately sanitized between clients
- Technology – Wi-Fi hotspots, cellphone, and tablets/laptops
- Mental health crisis supports

Human Needs Task Force Next Steps

- Federal and Provincial governments providing COVID-19 crisis funding directly to individuals, community agencies and municipalities
 - Funding programs and changes announced as national/provincial needs change
 - City is tracking what it is spending on local needs vs. crisis funding provided
- City funding and funding to be received through the Social Service Relief Fund will be used to address priorities set by the Human Needs Task Force
 - Investment in priority needs for physical (social) distancing and isolation of at-risk populations
 - Mindful of long-term nature of this crisis
 - Path forward, potential long term needs remain uncertain
 - Phased approach and gender and diversity lens required
- City has disbursed \$88,000 of additional \$299,000 funds to date in addition to the Reaching Home Federal Funding to address homelessness

Our Finances

Financial Review Mandate

- Develop financial forecast that projects budget impacts of Covid-19 pandemic:
 - Budget pressures: additional costs to respond to pandemic, increased operating costs, reduction in investment returns, revenue shortfalls, impact of revenue deferrals
 - Budget savings: cost reductions due to closures, impact of spending deferrals, additional funding/revenue
- Assess overall financial impact of pandemic on 2020 budget if it continues for 3, 6 or 9 months
- Cashflow forecast: impact over time on investment income, interest and liquidity
- Identify key strategies to address projected budget shortfall

Revenue Reduction Estimates

Dept - Rev \$000's	March - June	July - Sept	Oct - Dec	Total
Transit	52,904	46,498	56,653	156,054
RCFS	20,698	18,575	14,465	53,737
EPS	5,922	4,590	4,590	15,102
Finance/Non Dept	10,005	7,487	2,646	20,138
PWESD	9,353	5,913	5,753	21,019
Other - OPS/OPH/OPL	2,851	1,680	1,980	6,511
Total	101,733	84,742	86,086	272,561

Transit – Fare revenue

RCFS – Programing cost related to facility closures

EPS – Parking ticketing revenue

Finance – POA/RLC revenue and tax deferral, interest, investment income

PWESD – Water billing & on/off street parking

Non-Controllable vs. Controllable

- Revenue reduction drivers
 - ***Non-controllable revenue reduction drivers:***
 - Economic contraction and reduced business activity
 - Federal/provincial public health mandates requiring closures of services with user fees
 - Impacts of market losses on investment earnings
 - ***Controllable revenue reduction drivers:***
 - Decision to stop or reduce services that have user fees
 - Decisions to reduce or suspend fees for services (parking, rent abatement)
 - Decisions to defer property tax payments due to financial hardship, defer water utility due dates and attributed investment earnings

Initial Estimates of Cost Reductions/Increases Due to Pandemic

Dept - Cost \$000's	Average Cost Reduction per Month	Average Cost Increase per Month
Transit – overtime and fuel costs	(1,300)	
RCFS – compensation, utilities and supplies due to facility closures	(3,925)	
CSS – reduction in equipass and ODSP bus pass subsidy required	(575)	
CSS – long term care extra staff		420
PWESD – solid waste increase in in-house operating costs due to higher tonnage		170
ICS – increased hardware/software for telework		100
EPS – increased resource requirements		240
Total	(5,800)	930

Strategies – COVID-19 Budgetary Effects

- Declared emergency leave for part-time and casual staff
- Expense management: Discretionary spending – at GMs approval
- Pausing non-essential staffing
- Accelerated review of Capital Closures
- Use of reserves
- Monetization of assets
- Financial backstop/grants from other levels of government
 - Accelerated Infrastructure Funding
 - Additional Gas Tax Funding
- Legislative changes

Federal Assistance To Date

- ***Reaching Home Program:***
 - \$1.65M to Ottawa for distribution to 50 agencies in homelessness sector (2019-2020)
 - \$4.8M to Ottawa under Canada's COVID-19 Economic Response Plan (2020-2021)

Provincial Assistance To Date

- ***Public health:*** \$160M province-wide to support COVID-19 monitoring, surveillance and testing; virtual care and Telehealth.
- ***Long term care funding:***
 - \$243M province-wide for additional capacity, screening and staff, supplies, and equipment to tackle COVID-19
 - \$50M province wide, one-time emergency funding, immediate relief for extraordinary costs
 - \$300K emergency funding to prevent and contain the spread of COVID-19 in the City's Long Term Care Homes
- ***Community Homelessness Prevention Program (CHPI):***
 - \$13.2M under the Social Services Relief Fund for households at risk of homelessness due to COVID-19

Estimated Cashflows

- The City has a good cash position, as reflected in our strong rating from credit agencies
- At the end of 2019 we had \$1.6B in cash and investments
- For each of the scenarios the total cash and investments are expected to drop as follows:
 - Scenario 1 and 2 down to \$1.2B
 - Scenario 3 worst case scenario goes down to \$600M
- The key difference between scenarios is the amount of revenue lost and in scenario 3 the markets do not recover in time to issue \$350M in debt
- Reserves decline in all scenarios, but most remain positive
- Transit reserves drop into a significant deficit position in all scenarios

Conclusion

- Preliminary financial review shows:
 - City has sufficient cash flow to year end
 - Most significant impact is City revenues
 - Finance staff are working with departments to close gap to decrease expenditures, to pause or stop work
- This is an unprecedented situation that the City has never seen before
- All municipalities across Canada are experiencing similar financial pressures
- The City needs assistance from other level of governments to bridge the gap
- We are working to ensure that City spending is in line with our new reality