



OFFICE OF THE CHIEF ADMINISTRATIVE OFFICER

TO: Council
DATE: October 27, 2020 **DIVISION:** All
FILE: N/A **APPLICATION:** N/A
SUBJECT: Municipal Operating Support Transfer (MOST)

EXECUTIVE SUMMARY:

The Government of Alberta has developed a new funding program that enables municipalities to recover operating losses resulting from the COVID-19 pandemic. In order to access funding available through the program, the County is required to enter into a Memorandum of Agreement (MOA) with the provincial government.

ADMINISTRATION RECOMMENDATION:

Administration recommends approval in accordance with Option #1.

DISCUSSION:

The COVID-19 pandemic has had financial impacts on all sectors of the economy, including municipalities. In response, the Government of Alberta has announced a total of \$436 million of direct financial support that will assist in offsetting incremental cost (i.e.: PPE, additional sanitation) and revenue losses experienced by Alberta municipalities due to the pandemic.

MOST funding is being provided under three funding streams:

- MOST General Operating Component – the County would receive a maximum contribution of \$3,995,313 that could be directed towards general operating losses and incremental cost increases.
- MOST Transit Component – the County would receive a maximum contribution of \$16,985 that could be allocated specifically to operating losses and incremental cost increases for transit services.
- Previously allocated MSI Operating Funding – the province has expanded the eligibility for the use of the \$493,475 of MSI operating funding that has been previously approved and allocated to the County.

The County would receive its funding immediately after the execution of the MOA. MOST funding can be used for eligible operating expenses or operating losses incurred between April 1, 2020, and March 31, 2021. The County would be required to submit a Statement of Financial Expenditures by July 2, 2021, reporting on the use of MOST funds; the County would be required to return any unused/unspent funding back to the Government of Alberta.

BACKGROUND:

In July, the federal government announced the Safe Restart Program. That program included \$19 billion in direct transfers to the provinces and territories to assist in the safe restart of Canada's economy. A key priority of that funding was support for municipalities. The Government of Alberta had announced that it would match the \$233 million in support for municipal operating costs and \$70 million for transit under the Safe Restart Program, and in September, the Minister of Municipal Affairs

announced how that funding would be distributed to municipalities. Funding under the General Operating Component is based on population, and funding for the transit stream is based on ridership.

BUDGET IMPLICATIONS:

The County would receive a total of \$4,012,298 in new funding to assist in offsetting the incremental costs and lost revenues as a result of the COVID-19 pandemic.

STRATEGIC OBJECTIVES:

The funding supports the County's continued efforts to maintain a strong financial position.

OPTIONS:

Option #1: THAT Administration be directed to enter into a Memorandum of Agreement with the Government of Alberta to enable the transfer of funds under Municipal Operating Support Transfer.

Option #2: THAT alternative direction be provided.

Respectfully submitted,

Concurrence,

"Fabian Contreras"

"Al Hoggan"

Director
Corporate and Strategic Planning

Chief Administrative Officer