

Four-Stage Model to Respond to COVID-19

1. **RESPOND:** The response to the pandemic, that prioritizes public health over all other considerations. It includes closure of facilities, measures taken to keep Edmontonians safe, and 2021 budget decisions to manage the financial impacts of the pandemic response, which are discussed further in this report.
2. **RELAUNCH:** The intentional act of reopening what was closed and activating what was paused. This report assumes continuation of current service levels in response to the pandemic throughout 2021.
3. **RECOVER:** A reassessment of business systems, assumptions and rules. This is the establishment of services when considering the potential health and economic expectations in the midterm.
4. **REIMAGINE:** This crisis has been a shock that will cause deep shifts in preferences and expectations for how we work, consume, learn and interact with one another. Taking a long term view of how the crisis has impacted the assumptions and expectations. The Reimagine stage will support informed decision making and responsible action to ensure the long term resilience of the organization. CR_8379 Reimagine - Strategic Response to COVID-19, provided at the July 6, 2020 City Council meeting, details the City's approach to this stage. Administration is in the early stages of its Reimagine work and will bring forward recommendations for Council's consideration through future supplemental operating budget reports.

Guiding Principles: Approach to Financial Decisions

- Safety - The public's safety is a top priority and will not be sacrificed while managing the COVID-19 related financial impacts.
- Combining funding strategies - Revenue reductions will be addressed with a combination of one-time funding strategies as well as strategic decisions on spending and service reductions.
- Long range focus - Funding strategies will be mindful of the impact on the City's long-term financial sustainability.
- Local economy - Continue to support stabilization of the local economy.
- Honour relationships - Workforce strategies implemented as a part of the expense management strategies will be fair and respectful to City employees.

Attachment #3

- City building - Administration has evaluated the capital plans for 2021 and 2022 and has provided Council with options for capital budget reductions through the Fall 2020 Supplemental Capital Budget Adjustment report.
- Limit property tax increases - The recommended funding plan to offset the impacts of COVID-19 includes no additional tax increases for 2021.