
HALDIMAND COUNTY

Report CDP-02-2021 Community Halls Program – Ongoing Pandemic Financial Relief



For Consideration by Council in Committee on May 11, 2021

OBJECTIVE:

To obtain Council approval to reimburse Community Halls Boards of Directors for operating costs incurred at County-owned buildings during the first quarter of 2021.

RECOMMENDATIONS:

1. THAT Report CDP-02-2021 Community Halls Program – Ongoing Pandemic Financial Relief be received;
2. AND THAT the volunteer Boards of Directors managing Haldimand County's 18 Community Halls be reimbursed for actual operating costs for the first quarter of 2021, less 65% of any rental revenues received during the quarter, to an upset total amount of \$22,050;
3. AND THAT reimbursement payments be funded from the provincial Safe Restart Program grant or the County's Contingency Reserve and reported on a quarterly basis.

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Approved: Craig Manley, MCIP, RPP, Chief Administrative Officer

EXECUTIVE SUMMARY:

Haldimand County's 18 Community Halls, managed and maintained by volunteer Boards of Directors, have been largely unable to generate revenue to pay for ongoing operating costs since the pandemic began in early 2020.

In November 2020, through report CDP-08-2020, Council directed staff to provide immediate reimbursement to the Community Halls Groups for actual utility costs during the period of March 14 to the end of 2020; those amounts to be offset by any rental income generated by each Hall Board. This reimbursement has now been provided to the 18 Groups for a total of approximately \$48,800. Council further asked staff to report back with recommendations for an ongoing compensation process for the Halls, given the anticipated continuation of shutdowns associated with the pandemic.

At this time, staff are recommending that Community Halls Groups continue to be reimbursed for ongoing, actual fixed costs to operate and properly maintain their Halls for the duration of the pandemic or until Halls are able to return to normal operations. Further, reimbursement amounts for each Group should be offset by 65% of any rental income received by the Halls. Staff will review financial reporting submissions from Halls Boards quarterly and provide funding recommendations to Council.

BACKGROUND:

Since 2002, Haldimand County has partnered with volunteer Boards of Directors to operate and maintain municipally-owned Community Halls. Currently, there are 18 such Halls. Through the Community Halls Policy (2003-01), these Groups are responsible for all operations and enhancements to these municipal buildings. Haldimand County is responsible for capital repairs and replacements associated with the structural integrity of the Halls in addition to legislated life/health/public safety matters. The Community Halls partnership model has worked very well to the benefit of both the communities and the County.

The current pandemic situation has been extremely difficult for the Halls operators. They were subject to a mandated complete shutdown between March and July 2020, then were further limited in their operations for the balance of the year by provincial and public health restrictions on gatherings and a general lack of interest from residents and the public to rent their facilities for events/activities. This has effectively stopped the ability of the Halls to generate revenue to cover operating expenses. Provincially-mandated shutdowns since January 2021 and ongoing uncertainty as to future public health measures impacting key matters such as weddings, social events and indoor gatherings, continue to hamper the revenue-generating ability of the Halls Boards.

ANALYSIS:

Through report CDP-08-2020, Council directed staff to reimburse Haldimand County's 18 Halls Boards for actual utility costs—minus any rental revenue generated—from the original shutdown in March to the end of 2020. Staff were further directed to offer—through a future Council report—recommendations for ongoing reimbursement of fixed operating costs during the pandemic.

CDP staff met with the Halls Boards in late 2020/early 2021 to review ongoing operating costs at each facility as well as potential revenue-generation opportunities.

Since January 2021, most of the Halls have been unable to generate any income at all; a handful have been able to rent out their space for a few meetings or takeout meals on a sporadic basis, all while adhering to COVID-19 safety protocols. During the period in March when the County was preparing the Cayuga Memorial Arena to become the municipality's Mass Vaccination Centre, the Dunnville Community Lifespan Centre (DCLC) was used as a temporary vaccination site. (Last year, the DCLC was also used as the County's Emergency Care Centre from March 22 through June 30, during which time Haldimand County paid all utility costs.)

Through those discussions—and in consultation with other County staff—it is recommended that fixed costs such as utilities, essential facility maintenance and grass cutting should be reimbursed at 100% (consistent with the 2020 compensation recommendation) less 65% of any rental revenues the Halls are able to secure during the reporting period. (Given the modest returns, staff did not recommend any fund-raising income generated by the Groups be included in this calculation; rather, these funds should be used for other facility/property maintenance costs and care.) The 65% contribution by the Groups is in keeping with the funding principles of the Community Partnership Program's Capital Projects and Fields & Parks Management programs, and acknowledges the County's commitment to the continued financial viability of the Community Halls during and after the pandemic.

During the first quarter of 2021, two Community Halls identified they did not require assistance from Haldimand County with operating expenses, for various reasons as outlined below. As a result, staff are not recommending first quarter 2021 compensation for these Halls.

Caledonia LIONS Community Centre: The Hall was rented from August 1, 2020 through February 28, 2021 by the Ontario Provincial Police for its temporary command centre. Revenue from that rental covered utility and other maintenance costs.

Cayuga Seniors Drop-In Centre: This Group receives an operating grant from the provincial government which covers 80% of its ongoing operations and activities; the remaining 20% of that grant is mandated to be contributed by the County. Given the lack of activities and programming in 2020 and associated reduction in operating expenses, the Hall Board is able to cover its first quarter costs.

In the case of a third Hall—the Selkirk Centennial Community Centre—the Hall did receive monthly rental revenue from the Selkirk Public Library (which has been able to provide service to the community for much of the past year); however, the Hall also incurred considerable utility and snowplowing costs associated with the operations of the Library and has requested assistance with those costs.

Staff will report to Council quarterly on the expenses/revenues of the Community Halls in order to ensure timely reimbursement as well as ongoing financial tracking. As well, CDP staff will continue to work with the Groups to maximize opportunities for revenue generation, recognizing these may continue to be limited. As of the publication of this report, Halls remain in a provincially-mandated closure and so it is anticipated that at least one additional quarterly compensation report will be brought forward to Council.

FINANCIAL/LEGAL IMPLICATIONS:

CDP staff have been working with the Community Halls groups to confirm actual fixed costs for the first quarter of 2021 as well as 65% of reported revenues. Eligible operating costs include utilities (water, hydro, gas) and required maintenance (cleaning, inspections/maintenance of HVAC systems, garbage removal). Snow plowing costs are not included as the Halls were closed during the winter (with the exception of the Selkirk Centennial Community Centre); grass cutting will be eligible for reimbursement in the future in order to maintain minimal service/safety standards.

The chart below outlines the expenses and revenues for each of the Halls, as well as projected compensation amounts. The majority of these amounts have been reconciled; however, in some cases groups are waiting for documentation to confirm actuals. Staff will review and check all reimbursement payments are based on actual costs before they are processed.

Community Hall	Eligible Expenses Jan. 1 – Mar. 31, 2021	Revenues (65% of Actuals) Jan. 1 – Mar. 31, 2021	Total Reimbursement Amount
*Caledonia LIONS Community Centre	\$9,800	\$9,800	\$0
Canboro Community Centre	\$500	\$0	\$500
Canfield Community Centre	\$1,450	\$100	\$1,350
Cayuga Kinsmen Community Centre	\$1,750	\$0	\$1,750
*Cayuga Seniors Drop-In Centre	\$700	\$700	\$0
Cheapside Community Hall	\$500	\$0	\$500
Dunnville Community Lifespan Centre	\$2,550	\$200	\$2,350
Fisherville Lions Community Centre	\$2,950	\$0	\$2,950
George Shippey Centre	\$400	\$0	\$400
Hagersville Community Centre	\$3,100	\$500	\$2,600
Haldimand Agricultural Community Centre	\$1,950	\$0	\$1,950

Jarvis Lions Community Centre	\$1,450	\$0	\$1,450
Lowbanks Community Centre	\$650	\$0	\$650
Nanticoke Community Hall	\$1,050	\$0	\$1,050
Rainham Centre Community Hall	\$550	\$0	\$550
Selkirk Centennial Community Centre	\$4,900	\$1,900	\$3,000
Seneca Centennial Hall	\$450	\$0	\$450
Townsend Lions Hall	\$650	\$100	\$550
TOTAL:	\$35,350	\$13,300	\$22,050

*See note above—under Analysis—regarding the funding exceptions associated with these two Halls.

Total reimbursement costs to the Community Halls for the first quarter of 2021 are to an upset total of \$22,050.

The Council approved 2021 Tax Supported Operating Budget does not include any funds related to this situation. In October of 2020, Haldimand County received approximately \$2.5 million in funding from the provincial Safe Restart program (COVID-19 grant). The province's expectation was that any funds not utilized in 2020 would be utilized to offset any additional costs in 2021 and these reimbursement costs would be allocated to this fund.

The Community Halls reimbursement expenditures (estimated at \$22,050) will result in a negative variance in the Grants to Organizations line for the Community Development & Partnerships Division's Administration cost centre. Corporately, the deficit or surplus for the Tax Supported Operating Budget is funded from or contributed to the Contingency Reserve.

STAKEHOLDER IMPACTS:

This report was prepared in consultation with staff from the Divisions of Facilities Capital & Asset Management and Finance.

REPORT IMPACTS:

Agreement: No

By-law: No

Budget Amendment: Yes

Policy: No

ATTACHMENTS:

None.