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# NEWS RELEASE

## MUNICIPALITIES FACE MULTI-MILLION DOLLAR LOSSES DUE TO COVID-19

**February 25, 2022** - The Association of Manitoba Municipalities (AMM) today announced the results of a member survey focusing on COVID-19's fiscal impacts on Manitoba municipalities.

According to survey data, municipalities in Manitoba collectively experienced an estimated **\$91.8 million** operating loss in 2021 while an additional **\$53.3 million** shortfall has been forecasted for 2022. Municipalities have also incurred **\$7.3 million** in pandemic-related costs related to staffing needs, purchasing PPE, and enforcing provincial public health orders.

In addition, **89%** of municipalities have experienced further operating losses since the Province of Manitoba flowed \$106 million on behalf of the federal government under the Safe Restart Agreement (SRA) in October 2020. Consequently, **52%** of municipalities indicated that it could take between two to eight years to financially recover to pre-crisis COVID-19 levels.

"It is clear that municipalities continue to experience significant operating shortfalls due to the ongoing pandemic," said AMM President Kam Blight. "While these numbers show a significant financial gap, the figures are actually lower than expected since many municipalities were forced to reduce services given their legal obligation to not run deficits."

The survey was administered in January 2022 and 77 responses were received. The AMM was particularly interested in the financial impacts since 2021 and financial pressures experienced by municipalities overall. The findings will be provided to the provincial and federal governments as they contemplate additional financial assistance to municipalities in their respective budgets.

"Our latest survey continues to show that the largest financial hit to municipalities has been related to operating recreational facilities and other public municipal buildings," added President Blight. "Moving forward, it is vital that all orders of government work together to ensure greater supports are provided so municipalities can continue offering essential services that Manitobans depend on."

A presentation summarizing the survey's responses can be found at the following link:

- <http://www.amm.mb.ca/download/presentations/COVID-19-Survey-3.pdf>

Learn more about COVID-19's impact on municipalities:

- <http://www.amm.mb.ca/issues/covid-19/>

*NOTE: AMM members were surveyed in a non-scientific manner and collective numbers have been extrapolated to reflect all 137 municipalities, including the City of Winnipeg.*