

Dealing with Covid-19



Intro

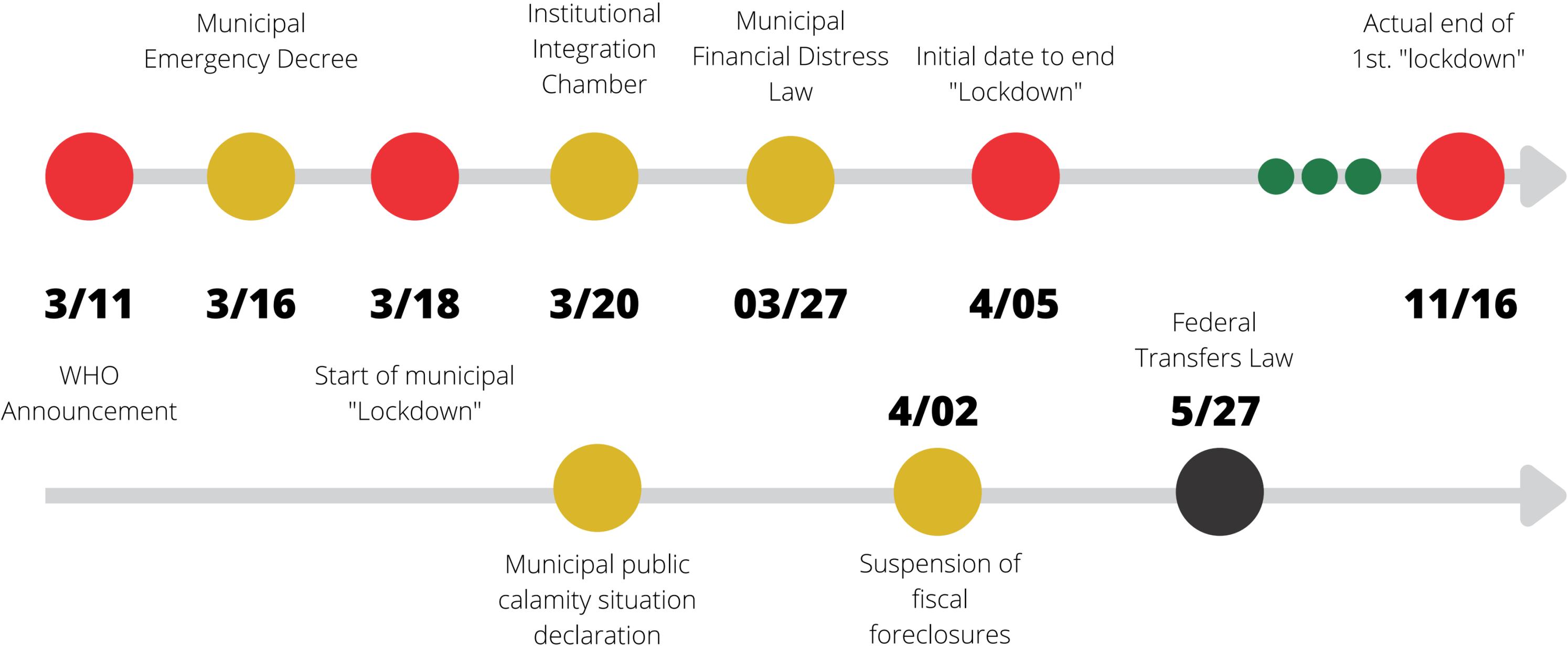


The World Health Organization (WHO) on March 11, 2020, has declared the novel coronavirus (COVID-19) outbreak a global pandemic.

Brazil had just ended Carnival season and the people had so far followed the news from abroad without much worry.

On March, 16 the City wakes up with the Decree 59.283, declaring emergency situation in the Municipality and defining measures to face the pandemic resulting from the coronavirus.

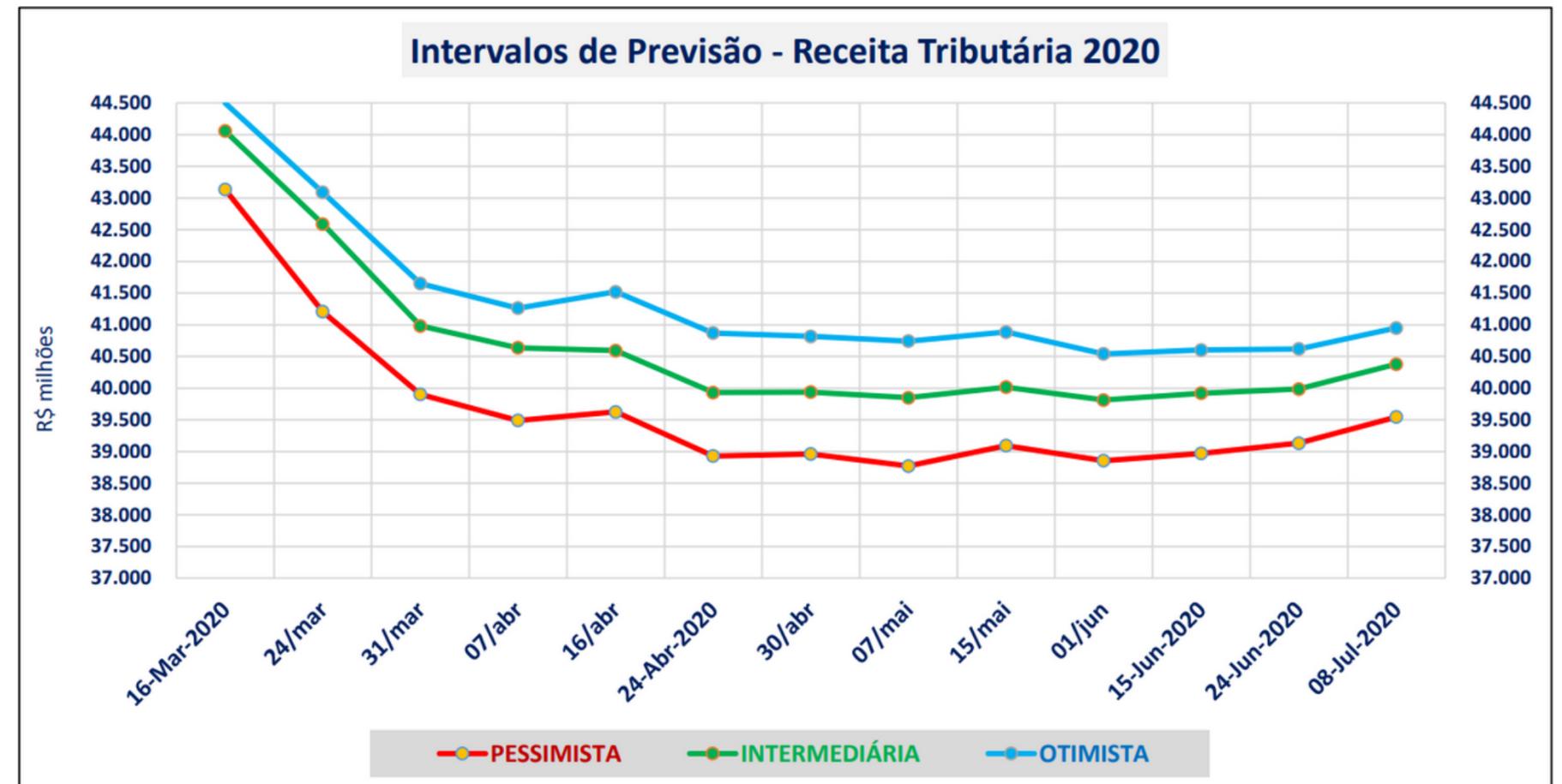
Milestones



Impacts

Covid-19 had impacts on economic activities with consequences for the municipal revenues. We developed a "municipal social isolation-Index" as a guide for the intensity of the downturn on activities.

A crises sub-cabinet was created in the Finances Secretary to assess new upcoming data and decide on new propositions.



Actions

A set of actions were taken aiming at targeting the reduction of revenues and the unplanned new expenses.

A lot was made through experimentation, trying to reduce the legal risk with immediate feedback from controlling entities (Accounts Court and Public Prosecutor)

Flexibility

Increase of flexibility for the use of public funds through legal measures

Liabilities

Postponement of debt expenses through direct negotiations (Federal Government and Congress)

Contracts

The city suspended contracts related to public services and equipments that were not open (schools, libraries, theaters, museums). Salaries were maintained.

Transfers

The Congress decided the federal government would transfer to the subnational entities resources to compensate for the reduction of the revenues and the deal with new expenses.

Municipal Revenues

At first, we believed the City was going to suffer from a sharp reduction in its revenues. Our belief was based on the emission of fiscal receipts in the first weeks after the lockdown was implemented.

Nevertheless, we came to learn quickly that the city's economy was resilient and flexible enough to rearrange. IT companies and technical services occupied the void left by events and tourism companies.



New Expenses



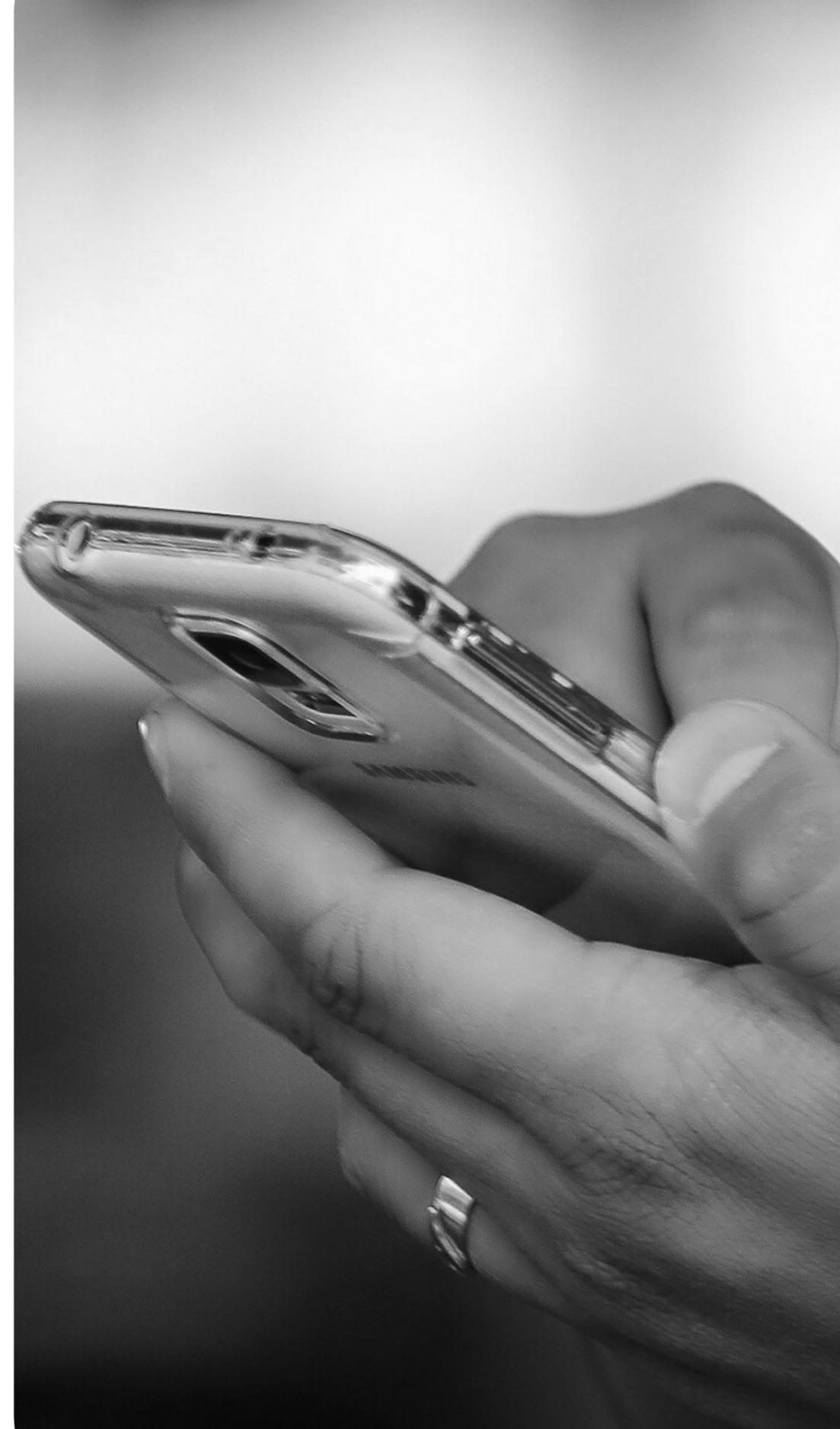
Social security became a huge public issue, during the Covid-19 pandemics and afterwards. Emergency medical facilities, funerary services and food security entered the agenda as priorities.

The city paid two rounds of a temporary income social benefit of BRL 300, per person, as a complementation of the federal benefit.

Transparency

With increased discretion on the part of the Administration, became, as the pandemics progressed, a increased demand for transparency and accountability.

Public accounting standards and budgetary practices had to be adapted to disclose as much information on the use of federal transfers and emergency contracts as possible, while mantaining the necessary flexibility.



A background image showing a business meeting. In the foreground, a person's hand is pointing at a tablet displaying various data charts, including bar graphs and pie charts. In the background, two people in business suits are visible, one with their hands clasped. The entire scene is framed by a yellow border.

Thank You