



## **TOWN OF MINTO**

**DATE:** October 10, 2017

**REPORT TO:** Mayor and Council

**FROM:** Gordon Duff, Treasurer

**SUBJECT:** Municipal Disaster Recovery Assistance Program (MDRA)

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### **STRATEGIC PLAN:**

- 5.1 Actively seek out Federal and Provincial grants and revenue-sharing programs, and promote sustainable and equitable funding programs that require a minimal amount of reporting and promote local autonomy.
- 5.3 Ensure financial plans to include a blend of capital financing methods including long-term debt, user fees, grants, internal reserves and taxation, and maintain reserves to the point where Minto reduces reliance on borrowing or tax increases to finance major capital expenditures.

### **BACKGROUND**

The Town of Minto suffered severe damage to both municipal and private property due to the flood which occurred in Harriston and area on June 23, 2017. This damage was well documented in previous presentations to Council. The Province has replaced the former Ontario Disaster Relief Assistance Program (ODRAP) with the Municipal Disaster Recovery Assistance (MDRA) program. Under the guidelines, a municipality must incur three per cent of its Own Purpose Taxation Levy as reported on the most recent Financial Information Return. In the case of the Town of Minto, this amount is 3% of \$4,779,094 or \$143,373. If the three per cent threshold is met, the MDRA program will fund 75% of cost up to the threshold amount and 95% of costs in excess of this amount. This amount must be over and above those costs covered by property insurance and the related insurance deductibles are not eligible expenses. There are strict criteria as to what constitutes an eligible expense. The local municipality funds the remaining portions plus any ineligible costs.

### **COMMENTS**

Town of Minto staff and engineers estimate that we will exceed the three per cent threshold amount. Therefore, we wish to proceed with the application which is due no later than one hundred and twenty days after the disaster, which works out to October 23, 2017. A formal request to the Province by the Municipal Council is required to initiate a submission under the MDRA program.

### **FINANCIAL CONSIDERATIONS:**

As outlined above, if accepted under the program, the Town would be eligible for a considerable cost recovery of the uninsured flood related expenses. For example, if actual

eligible costs were \$160,000, The Town would receive  $\$143,373 \times 75\% = \$107,530 + (\$160,000 - \$143,373) \times 95\% = \$15,795$  for a total of \$123,325 in funding.

**RECOMMENDATION:**

That Council receives the October 10, 2017 report from the Treasurer and considers passing the following motion:

Whereas the Town of Minto recently experienced a flood on June 23, 2017 and has experienced incremental operating and capital costs, the Council of the Town of Minto hereby requests the Minister of Municipal Affairs to activate the Municipal Disaster Recovery Assistance program.

Further that Gordon Duff, Treasurer/Deputy CAO is given delegated authority to verify and attest to the accuracy of the attached claim.

Gordon Duff, Treasurer