



**FINANCE DEPARTMENT
MEMORANDUM**

Page: 1
File: F05
Pending #:

TO: MAYOR, J. LEHMAN AND MEMBERS OF COUNCIL

FROM: M. MIFSUD, SUPERVISOR OF FINANCIAL, REPORTING AND POLICY
C. MILLAR, DIRECTOR OF FINANCE AND TREASURER

NOTED: D. MCALPINE, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES
M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RE: FINANCIAL IMPACT OF THE TORNADO

DATE: OCTOBER 18, 2021

The purpose of this Memorandum is to provide members of Council with a summary of the costs and lost revenues the City incurred, as a result of the tornado that occurred on July 15, 2021. In addition, there is a summary of the available provincial programs for recovering costs associated with the disaster.

Overview

Following the tornado, the City’s Emergency Control Group immediately assembled to respond to the situation. City and Police resources were used to secure, assess and clean up the affected area, and assist area residents with the recovery effort.

It is estimated that the tornado will have a total financial impact of \$357,000 in 2021 on the City and the Barrie Police Services Board. This is below the threshold required to activate the Municipal Disaster Recovery Assistance (MDRA) program provided by the Province of Ontario.

Breakdown of Costs and Lost Revenues in 2021

The following is a list of incremental costs and lost revenues related to the tornado that have either been incurred to date, or are expected to occur in the coming months as the recovery efforts continue:

- Repair/replacement of damaged street fixtures, equipment, trees, and recycling bins \$117,000
- Police related \$83,000
- City overtime \$54,000
- Clean up costs (waste and tree debris removal, street sweeping, waived landfill fees) \$52,000
- Lighting, generators, safety fencing \$27,000
- Lost property tax and water/wastewater revenue \$21,000
- Transit \$ 3,000
- Total \$357,000

At this time, staff do not have any information on additional operating costs relating to Paramedic Services, which are administered by the County of Simcoe. It is anticipated that the City’s additional costs and lost revenues will be funded within existing budgets and any shortfalls will be recovered from the tax rate stabilization reserve.



Provincial Disaster Assistance Programs

The province has two programs that can assist in recovering cost of a disaster – the Disaster Recovery Assistance for Ontarians (DRAO) and the Municipal Disaster Recovery Assistance (MDRA).

The DRAO can help homeowners, small owner-operated businesses and farms and not-for-profit organizations. The City, along with local area Members of Provincial Parliament, worked with the province to have this disaster recovery assistance program activated on July 15, 2021. Application forms, as well as information on eligible costs, are available on the province's website www.ontario.ca/page/apply-disaster-recovery-assistance

The MDRA program helps municipalities recover from extraordinary costs after a natural disaster. Eligible expenses include capital costs to repair public infrastructure, as well as certain operating costs. For the purpose of MDRA, a disaster is defined as a sudden, unexpected, extraordinary, natural event that results in eligible municipal costs at least equal to three per cent of a municipality's own purpose taxation levy.

The City's own purpose taxation levy for 2020 was \$248 million. Three per cent of this is almost \$7.5 million, which is significantly above the expected financial impact of \$357,000, therefore the City does not qualify for the program.