



MEMBER ADVISORY

DISASTER FINANCIAL ASSISTANCE UPDATE (*REVISED*)

July 7, 2009 – AMM Members received some welcome news yesterday – an adjustment to the cost-sharing agreement currently in place for Disaster Financial Assistance (DFA). President Doug Dobrowolski participated in the announcement by Intergovernmental Affairs Minister Steve Ashton, which outlined a new rate (see example below). Currently, municipalities are expected to contribute the first 10 per cent of their total claim. This can be financially difficult for municipalities, especially those that have large claims or have DFA claims year after year.

In the **old formula**, a municipality of 1,000 people with damage of \$200,000 would have paid:

	Muni		Prov
\$0.00 to 1.00	\$1000	100%	\$0
\$1.01 to 3.00	\$1000	50/50%	\$1000
\$3.01 to 5.00	\$500	25/75%	\$1500
Above \$5.00	\$19,500	10/90%	\$175,500

For a total of **\$22,000** in municipal expenditure

In the **new formula**, a municipality of 1,000 people with damage of \$200,000 will pay:

	Muni		Prov
\$0.00 to 1.00	\$1000	100%	\$0
\$1.01 to 3.00	\$1000	50/50%	\$1000
\$3.01 to 5.00	\$500	25/75%	\$1500
\$Above 5.00	\$0.00	0/100%	\$197,500

For a total of **\$2,500** in municipal expenditure

The shift to a per capita agreement means not only will costs be much lower than with the current agreement, but municipalities will be better able to plan for emergencies. It will allow municipalities to actually budget for an impending disaster.

The AMM has been actively lobbying the Province to reduce the per cent contribution for some time now and is very pleased with this announcement.

The Provincial news release and background information is attached.

Backgrounder

Eligible for Public and Private Sector Assistance

Alexander, RM
Alonsa, RM
Arborg, Town
Argyle, RM
Armstrong, RM
Arthur, RM
Bifrost, RM
Blanshard, RM
Brenda, RM
Brokenhead, RM
Cartier, RM
Cartwright, Village
Clanwilliam, RM
Coldwell, RM
Daly, RM
De Salaberry, RM
Dufferin, RM
East St. Paul, RM
Emerson, Town
Erickson, Town
Eriksdale, RM
Franklin, RM
Gimli, RM
Grahamdale, RM
Grey, RM
Grandview, RM
Hamiota, RM
La Broquerie, RM
Lorne, RM
Louise, RM
Hamiota, Town
Hanover, RM
Lac Du Bonnet, RM
Lawrence, RM
Macdonald, RM
McCreary, RM
Melita, Town
Minto, RM

Montcalm, RM
Morris, RM
Morris, Town
Morton, RM
Park, RM
Pembina, RM
Piney, RM
Portage la Prairie, RM
Reynolds, RM
Rhineland, RM
Ritchot, RM
Riverside, RM
Riverton, Village
Roblin, RM
Rockwood, RM
Roland, RM
Rossburn, RM
Rosedale, RM
Selkirk, City
Shoal Lake, RM
Siglunes, RM
Springfield, RM
St. Andrews, RM
St. Clements, RM
St. Francois, RM
St. Laurent, RM
Strathclair, RM
Stuartburn, RM
Tache, RM
Waskada, Village
West St. Paul, RM
Wesbourne, RM
Whitemouth, RM
Whitewater, RM
Winchester, RM
Winnipeg, City
Winnipeg Beach, Town
Woodworth, RM

Eligible for Private Sector Assistance Only

Altona Town
Brandon, City
Cameron, RM
Donnottar, Town
Morton, RM
Rivers, Town
Rosser, RM
Rossburn, RM
Shoal Lake, Town
South Cypress, RM
South Norfolk, RM
Stanely, RM
Ste. Anne, RM

Eligible First Nations

Brokenhead Ojibway Nation
Fisher River Cree Nation
Little Saskatchewan First Nation
Peguis First Nation
Roseau River Anishinabe First Nation
Sandy Bay First Nation
Sioux Valley Dakota First Nation



NewsRelease

July 6, 2009

DISASTER FINANCIAL ASSISTANCE PROGRAM AIDS MANITOBANS HIT BY 2009 FLOOD, IMPROVES MUNICIPAL COST-SHARING: ASHTON

Up to \$40 million will be made available for a Disaster Financial Assistance (DFA) Program for areas affected by spring flooding, Intergovernmental Affairs Minister Steve Ashton, minister responsible for the Manitoba Emergency Measures Organization (EMO), said today.

“We are doing everything possible to help those Manitobans impacted by this year’s flood,” said Ashton. “Many of the eligible claims have already received financial assistance and the remainder are being processed as quickly as possible.”

The \$40 million is based on the assessment of damages resulting from flooding earlier this spring. Property damage from the 2009 spring flood has resulted in more than 1,000 applications for disaster financial assistance.

“The damage caused by flooding throughout the province and heavy ice on the Red River this spring was significant,” said Ashton.

Ashton said payments have started and will continue to flow throughout the summer. The province has added temporary staff to make the financial assistance process as efficient as possible.

As previously announced, the maximum amount that a private citizen can receive under DFA was doubled this year. A private citizen applicant can now claim for eligible costs of up to \$200,000 or the assessed value of their home, farm or business.

The province will also adjust the cost-sharing agreement with municipalities and improve it by capping the current cost-sharing sliding scale to five dollars per capita of municipal expenditures. After municipal spending has reached five dollars per capita, the province will assume 100 per cent of the costs. Currently, municipalities pay the first 10 per cent of their total claim.

Doug Dobrowolski, president of the Association of Manitoba Municipalities, said he is very pleased with the announcement.

“This will greatly lessen the burden shouldered by municipalities after severe flooding and shows the spirit of co-operation between the province and municipalities,” said Dobrowolski. “The province has listened to our concerns and addressed our needs by making it significantly easier for municipalities to recover from this year’s flooding and any future disaster.”

Manitoba has approached the federal government to cost share disaster financial assistance payments.

When a disaster strikes, DFA is generally available for evacuation costs, costs to prevent or limit imminent damage and for non-insurable damage to basic and essential property such as principal residences, buildings and other non-insurable losses essential to the operation of eligible farms and small businesses.

DFA claims are subject to a 20 per cent deductible. Basic and essential items such as furniture, fixtures, appliances and clothing are eligible for DFA.

Application forms and further details about DFA are available online at www.manitobaemo.ca or by contacting the Manitoba Emergency Measures Organization at 204-945-4772 or 1-888-267-8298 (toll-free). Applications are also available at most municipal offices.

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BACKGROUND INFORMATION ATTACHED