



Council Report

Report Number: CORP2025-019
Meeting Date: June 24, 2025
Title: Municipal Disaster Recovery Assistance
Description: March 2025 Ice Storm
Author and Title: Carolyn Daynes, Treasurer

Recommendation(s):

That Report CORP2025-019, **Municipal Disaster Recovery Assistance**, be received;

That the City of Kawartha Lakes hereby requests the Minister of Municipal Affairs and Housing (MMAH) to activate the Municipal Disaster Recovery Assistance (MDRA) program to recognize and support the associated incremental and unbudgeted operating and capital costs experienced by the City of Kawartha Lakes resulting from the Ice Storm on March 28th, 2025;

That the Treasurer be given delegated authority to verify and attest to the accuracy of the claim submitted, and

That Staff be directed to submit all required documentation to MMAH by the July 28, 2025 deadline.

Department Head: _____

Financial/Legal/HR/Other: _____

Chief Administrative Officer: _____

Background:

This report addresses the Ice Storm that occurred on March 28th, 2025, and the expenses incurred to 1) address emergency response efforts during the storm and 2) the ongoing clean-up and emergency recovery.

Rationale:

The Province established the Municipal Disaster Recovery Assistance (MDRA) Program to mitigate expenses incurred by Ontario municipalities due to severe weather. This program has a list of eligible and ineligible expenses. Eligible expenses are capital costs to repair public infrastructure or property and operating costs that go above regular budgets and are needed to protect public health, safety or access to essential services.

Ineligible expenses include costs that are covered by municipal insurance and costs that would have been incurred even if the storm had not occurred.

To be eligible for a program the following requirements must be met:

- Experienced a sudden, unexpected and extraordinary natural disaster
- Have costs over and above regular budgets that can be clearly linked to the disaster
- Passed a resolution of Council
- Submitted an initial MDRA claim for expenses, including an estimate of further expenses to be incurred.

The City has until July 28th, 2025, to submit these claims and provide an initial estimate of total expenses. The City has obtained a letter confirming that insurance will not cover any of the City Ice Storm expenses. Storm related costs have been tracked and included in a separate Business Unit. Table 1 below reflects the expenses incurred to June 12th, 2025.

Table 1 – Total Ice Storm Costs to June 12, 2025

Type of Cost	Costs to June 12, 2025
Overtime Costs	\$78,025
Advertising	\$7,912
Material Supplies	\$1,019,716
Equipment Expenses	\$468,706
Contracted Services	\$4,698,090
Total Costs to June 12, 2025	6,331,352

Staff is forecasting an additional \$10 to \$15 Million in contracted expenditures to complete the City-wide debris cleanup. The actual costs and forecast will be submitted to the Ministry in July, once more refined final estimates of costs are known.

The MDRA Program cost sharing framework includes that costs:

- up to 3% of the municipal's own purpose taxation levy (approx. \$4.3M) are 75% covered by the Province and 25% by the Municipality.
- Eligible expenses incurred beyond the 3% of the municipalities own purpose taxation levy the Province will reimburse at 95% of costs and the municipality would be responsible for the remaining 5%.

The City has indication that the Province may waive the 3% limitation due to the severity of the storm and the damage to roadways and municipal property. If this savings of the limit occurs, then all eligible costs will be funded at the 95% Provincial money and 5% City funding.

Based on the current projection if all costs were considered eligible under MDRA Program, the Province would potentially fund approximately \$19.3M and the City would have to fund approximately \$1M.

Other Alternatives Considered:

The City will continue to advance storm clean-up, as planned, and City-wide. Should the Province not fully fund recovery expenses incurred, staff would provide options to Council through the 2026 budget process to fund this shortfall.

Alignment to Strategic Priorities

For reference the strategic priorities with which this report addresses within the 2020-2023 Kawartha Lakes Strategic Plan are Healthy Environment and an Exceptional Quality of Life. The Ice Storm damage was extensive throughout the City and municipal efforts to assist during the storm and with the clean up were essential to maintain public safety.

Financial/Operation Impacts:

The current recorded expense to date is at \$6.3 Million with a further forecasted \$10 to \$15 Million. The City will submit the claim and await funding confirmation from the Province.

Consultations:

Chief Administrative Officer
Director, Corporate Services
Director of Engineering
Director of Community Services
Supervisor – Procurement
Finance Co-ordinator
Municipal Advisor, Ministry of Municipal Affairs and Housing

Attachments:

n/a

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Department Head: Sara Beukeboom

Department File: Corporate Services