



ALBERTA
PUBLIC SAFETY AND EMERGENCY SERVICES

*Office of the Minister
Deputy Premier of Alberta
MLA, Calgary-West*

AR 55202

June 26, 2023

His Worship Dan Hamilton
Reeve
Cypress County
816 – 2 Avenue
Dunmore AB T1B 0K3

Dear Reeve Hamilton:

Thank you for your March 7, 2023, letter appealing the denial of your Disaster Recovery Program (DRP) application for the Cypress County wind event that occurred on July 18, 2022. I appreciate your patience while we reviewed your appeal.

In order to ensure consistent and transparent administration of DRPs, applications are required to meet all of the eligibility criteria set out in the provincial Disaster Recovery Regulation (DRR) and the 2021 Alberta Public Sector Disaster Assistance Guidelines (DAG). Our review of your appeal has also considered:

- The extraordinary nature of this event;
- The impact of this event on Cypress County's economic viability; and
- Insurance and losses because of the event.

There is no disputing the extraordinary impacts this tornado had on the residents and businesses in Cypress County and your neighbouring communities. The damages to residential properties and small businesses were substantial and I empathize with the efforts required as your community works to recover from this event. The wind event alone does not meet the eligibility criteria for a DRP to be approved.

In Alberta, municipalities are responsible for safety and emergency management services within their jurisdictions, and I recognize this can be overwhelming at times. Under the DRR, a DRP can only be approved when the event exceeds the economic viability threshold for the community. Taking into consideration the updated costs, our analysis shows that:

- Under Section 1.5.2(a) of the DAG there is a minimum threshold of \$25 per capita. Based on the 2021 Census population for Cypress County, the updated costs amount to \$5.77 per resident.

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- Under Section 1.5.3 of the DAG, which specifies a 15 per cent threshold, the damages amount to four percent, one percent, and two percent respectively for the average of 2019-2021 net municipal taxes, restricted and unrestricted surplus, and total debt limit.

For all types of disaster events (including wind events), the most significant DRP eligibility criteria is insurability. Under Section 9 of the DRR, an application is only eligible for DRP financial assistance for uninsurable losses arising from a disaster event. In Alberta, insurance is readily and reasonably available for loss and damage due to a wind event (including a tornado). Insurance coverage is included in most standard and basic insurance policies and while it can vary by insurance provider, it is the decision of the municipality, home, and business owner to choose the most suitable provider and coverage for their assets. Insurance may seem cost prohibitive before an event occurs, but it is up to each Albertan to know and manage their risk. DRPs do not provide coverage for those who have decided not to insure or to under insure their otherwise insurable properties, nor are insurance deductibles eligible.

With respect to the denial letter from your insurance provider, consideration was given to DRP financial assistance for the emergency operations costs incurred by Cypress County as those are uninsurable and could be eligible. As these equate to \$5.77 per capita based on Cypress County's 2021 Census data, it would be considered reasonable for Cypress County to absorb these costs.

The DRR is available for your information at [Disaster Recovery Regulation - Open Government \(alberta.ca\)](#) and the 2021 Public Sector DAG is available at [Alberta public sector disaster assistance guidelines \[2021\] - Open Government](#)

Having carefully considered your appeal, I regret to inform you that your DRP appeal does not meet the eligibility criteria set out in the DRR and the DAG. As a result, I must uphold the decision previously made by the managing director of the Alberta Emergency Management Agency. Your application is now considered to be closed.

Sincerely,



Honourable Mike Ellis, ECA
Deputy Premier of Alberta
Minister of Public Safety and Emergency Services

cc: Honourable Ric McIver, Minister of Municipal Affairs
Justin Wright, MLA – Cypress County – Medicine Hat