

THE IMPACT OF THE FLOODS ON THE NONPROFIT SECTOR IN CALGARY AND AREA

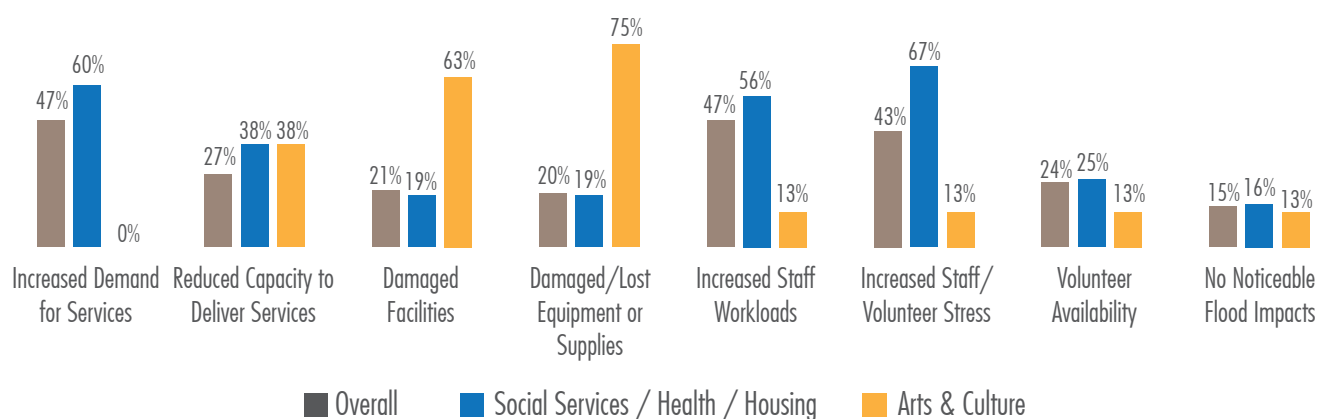
UPDATE: OCTOBER, 2013

Over the past three months, CCVO has undertaken a number of activities and initiatives designed to monitor and assess the impact of the June floods on Calgary and area nonprofits. Included in the work are two sector-wide surveys and reports designed to gauge initial and medium term impacts of the flood on the sector, the experiences of organizations and their expectations of the future. These findings have been supplemented by a number of other research and consultation activities including a literature review, interviews with nonprofit disaster recovery experts, participation on recovery working groups and discussions with nonprofit agencies.

IMPACTS OF THE FLOODS

As is the case with most households in Calgary, the majority of nonprofit organizations were not physically impacted directly by flooding or sewer back up. Approximately one third of the organizations reached by our August follow-up survey reported some form of physical damage. Of those not directly impacted by floodwaters or sewer back-up, the majority reported one or more indirect impact, such as increased demand for service. Only 20% reported no noticeable impact. It is important to note that this is a snapshot of those reached by, and that chose to respond to, the survey. This is not a representative sample.

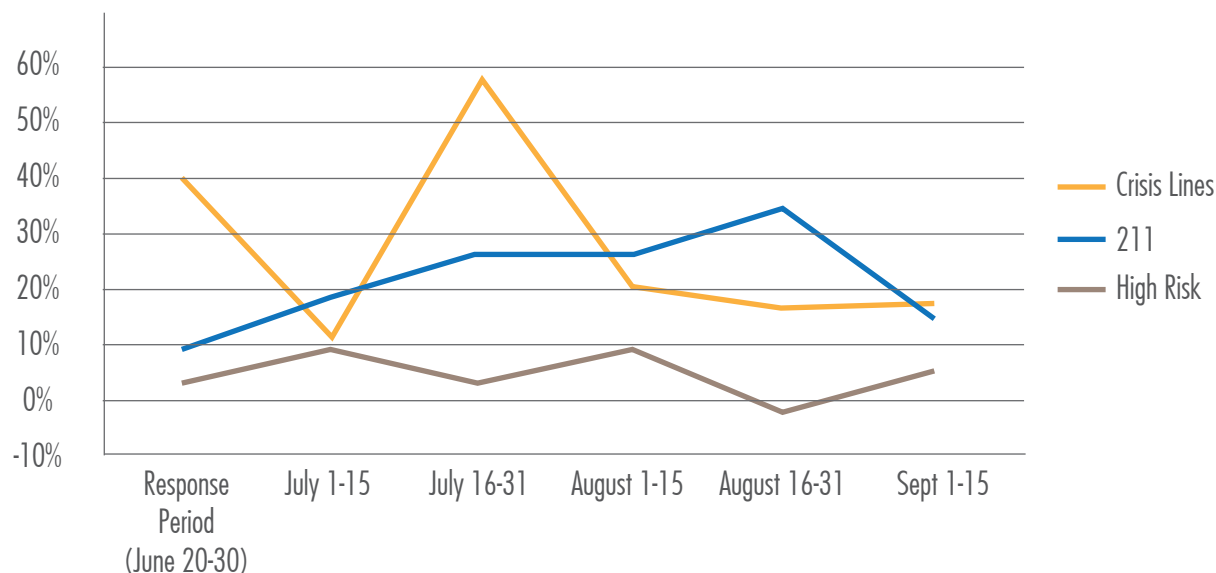
IN THE AFTERMATH OF THE FLOODS, WHAT ISSUES ARE FACING YOUR ORGANIZATION?



COMMUNITY NEEDS

The Distress Centre Calgary (DCC) provides both a 24/7 crisis line service and the 211 service for the Calgary area which connects callers to a full range of community, health, government, and social services information. Providing both services positions the Distress Centre to provide some unique insights into the effects of the 2013 flooding in Calgary. While the data presented here is a reflection of all community needs, it contributes to a fuller understanding of the volume, type and acuity of the demands for increased service being experienced by local agencies.

DCC tracks three types of calls of interest: crisis line volumes, 211 volumes, and high risk call volumes. High risk call volumes focus on calls made by the Distress Centre to emergency services on behalf of callers who are at risk or who pose a risk to others. The following table illustrates the average daily volumes for each type of call.



CALLER ISSUES (SEPTEMBER 1-15)

211

Shelter/Housing – 21%
Financial Issues – 19%
Flooding Related – 15%
Volunteer /Donations – 10%
Basic Needs – 9%

CRISIS LINES

Shelter/Housing - 54%
Relationships - 33%
Family – 33%
Suicide – 29%
Physical Health – 25%

HIGH RISK

Suicide – 68%
Child Welfare – 27%
Self-harm – 13%
Domestic Violence – 13%
3rd Party Suicide – 4%

ORGANIZATIONAL ISSUES

FUNDING CONCERNS

For many organizations direct and indirect financial pressures continue to be the primary flood impact. As the sector moves through the stages of response and recovery, so too do the revenue impacts.

In the initial days after the floods, many organizations incurred extraordinary costs for disruption of service - lack of facility access and staffing restrictions. In some instances this was in addition to damaged facilities, inventories and equipment. Similar to the experience of businesses in Calgary, nonprofits were faced with losses to earned income in the initial period after

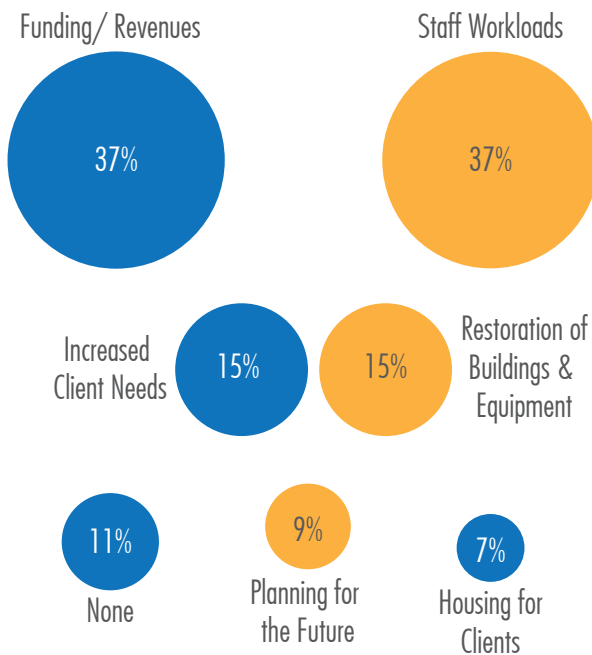
the floods. Throughout the summer, there were numerous instances of organizations postponing and /or canceling fundraising events. Some of these events were rescheduled with mixed results; some events have failed to reach their revenues targets while others have exceeded their targets.

It is anticipated that there will be an overall increase in donations to local charities, but the concern now is that donations and grants that would normally be directed towards a variety of needs across the community have been allocated towards flood relief – toward extraordinary expenses. Moreover, it is the coming together of these

various factors – increased demand, damage to facilities and infrastructure, and shifting funding priorities and patterns, that is straining local charities.

It should also be noted that many organizations lack operating reserves required to appropriately respond to these challenges. Forty-one percent of respondents to CCVO's 2013 Alberta Nonprofit Survey reported they possess less than one month of equivalent operating reserve.

PRESSING NEEDS



WORKFORCE CONCERNS

Workforce issues present a second major area of concern for many organizations on a number of fronts. Many organizations have expressed concerns about staff workloads and burnout. In the days and weeks following the floods, organizations expended a tremendous amount of energy maintaining service delivery in exceedingly difficult conditions. For some employees the increased workloads were coupled with personal stresses as they dealt with displacement and restoration issues of their own. Similarly, there are concerns that volunteers will be difficult to engage for both flood recovery efforts as well as ongoing community needs following the massive outpouring of support in the summer.

The overall Calgary and area labour market was trending towards full employment prior to the floods. As restoration and rebuilding increase over the fall, there is an expectation that the Calgary economy will heat up leading to further labour pressures. For nonprofits, low unemployment conditions in the overall economy can lead to high turnover and vacancy rates which will put additional pressure on existing workloads.

MAJOR FUNDING INITIATIVES

THE CALGARY FOUNDATION - FLOOD REBUILDING FUND

The Calgary Foundation established the Flood Rebuilding Fund, which supports qualified donees in long-term rebuilding and recovery efforts. The approximately \$6 million Flood Rebuilding Fund will support qualified donees in all parts of the charitable sector in Calgary and area - which includes the hardest hit areas of High River, Canmore, and surrounding First Nation reserves.

Recognizing that charitable organizations need time to develop their recovery strategies, The Calgary Foundation has established two application intake dates; October 25, 2013 and January 31, 2014.

The two program streams of this fund are targeted towards:

- **Increased Demand Program** – supports the work of qualified donees that are experiencing or are likely to experience increased demand for their existing services as a result of the flood.
- **New Initiatives Program** – offers support for initiatives that restore community spirit, rebuild gathering places and enhance community resilience.

<http://www.thecalgaryfoundation.org/initiatives/flood-rebuilding-fund>

THE CANADIAN RED CROSS

As of the end of August, the Canadian Red Cross had received \$35 million in flood designated donations and expended \$13 million on relief and early recovery initiatives. Amongst initiatives to be funded will be Community Project Grants which assist the community's ability to recover from the floods. Groups may apply for funding to cover community development projects, hold community events or support individuals and families impacted by the floods.

This program focuses on the implementation of projects initiated by community members and must meet one of four objectives:

- Benefit members of the community affected by the 2013 Alberta Floods (AB Floods)
- Assist with community resources or programs eliminated or affected by AB Floods
- Address imminent health and/or safety problems related to the AB Floods
- Enhance mitigation and preparedness of future disasters

<http://www.redcross.ca/crc/documents/Where-We-Work/Canada/Alberta/alberta-floods-3-month-report.pdf>

GOVERNMENT OF ALBERTA – DISASTER RECOVERY PROGRAM (DRP)

The Government of Alberta activated the Disaster Recovery Program which provides financial assistance for uninsurable property damage, loss and other expenses to cover the costs of returning essential property to the functional condition before the floods happened. A variety of funding programs are available to homeowners and tenants, nonprofit organizations, institutions, condo associations, landlords, small businesses and agricultural producers.

Although there have been over 8,000 applications to date prior to the November 30 deadline, less than 10 nonprofit organizations have applied. A number of factors have contributed to this:

- The majority of nonprofit organizations in Calgary did not suffer substantial physical damage to facilities, equipment and supplies.
- Organizations are eligible to apply only after insurance claims have been settled. For some organizations, insurance claims are still in the process of being finalized or have been sufficient to cover their expenses.
- A number of organizations have met their needs through direct donations, in-kind support and volunteer labour and have not filed DRP or insurance claims.

MAJOR CORPORATE GIVING

The U.S. Chamber of Commerce Foundation provides information on corporate giving to major disaster campaigns. Though not exhaustive, the Foundation has tracked almost \$15 million in donations from major corporations to the Alberta floods. A significant amount of the donations have been directed to the Red Cross (By comparison, Hurricane Sandy in 2012 garnered \$141 million in donations and the recent Colorado floods brought in \$1.3 million.).

<http://bclc.uschamber.com/site-page/canadian-flooding-corporate-aid-tracker-june-2013>

THE UNITED WAY OF CALGARY AND AREA

The United Way of Calgary and Area established their Emergency Community Support Fund prior to the floods and supplemented the initial million dollars with donations made online over the summer. As of September 18, of the over \$1.5 million allocated, around \$1 million has been released to agencies through 51 funded applications. Examples of support include:

- Expenses associated with flood damages
- Funds to support increased service delivery costs
- Insurance deductible to support the insurance claim
- Backup internet service and cost recovery of office closure

<http://www.calgaryunitedway.org/main/media-centre/news/353-flood-fund-update-your-donations-at-work>

ALBERTA ARTS REBUILD FUND

The Alberta Art Rebuild Fund was established by a coalition of funders, arts service providers, government and post-secondary institutions. The target goal of the campaign is \$500,000 with support directed to both individuals and organizations affected by the floods for short- to mid-term needs; namely unrecoverable costs, art restoration costs and unrealized revenues.

<http://calgaryartsdevelopment.com/frontpage?page=2>

PLACE 2 GIVE

Dexterity Consulting's flood response fund raised slightly over \$1 million and allocated over \$898,000 to date. Funds have been allocated primarily to human service agencies in Calgary and High River with major donations to Inn from the Cold, Alpha House and The Calgary Drop In Centre.

INDIVIDUAL DONATIONS

There are no available mechanisms to track individual giving to flood relief efforts. While individual campaigns should be able to breakdown individual and corporate giving, such figures are not available publicly. Additionally, there has been a substantial amount of giving directly to agencies through community and individually organized events that is impossible to track and estimate.

PLANNING FOR THE FUTURE

Many organizations are returning to business as usual, both operationally and in terms of mindset. Others continue to rebuild and/ or respond to heightened demand. As we continue through the recovery and restoration process, it is important to learn from the experiences of the past months and, wherever possible, to return not to "normal", but to "better". This requires us to :

- Establish disaster preparedness and business continuity plans for nonprofits
- Develop networks of communication and support between agencies to facilitate service coverage during crisis
- Further integrate disaster planning between local nonprofits and public response and relief systems



CCVO
Calgary Chamber of
Voluntary Organizations