



FINANCIAL IMPACTS OF A MAJOR DISASTER

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PRESENTATION OUTLINE

- ⦿ Steps to Prepare for a Disaster
- ⦿ When a Disaster Occurs
- ⦿ During a Disaster
 - Funding Dynamics
 - Recovery Efforts
- ⦿ After a Disaster



STEPS TO PREPARE FOR A DISASTER

- THINGS YOU CAN DO NOW!

- FEMA Training
 - Emergency Management Institute- Emmitsburg, MD
 - Understanding your role, identifying “Disaster Jobs”
- FEMA Handbook
- Establish Mutual Aid Agreements
 - Clear communication prior to a disaster
- Establish Community Agreements
 - Identify potential site locations
 - Support from Nonprofits
- Have Proven Processes and Policies in place
 - FEMA acceptable



WHEN A DISASTER OCCURS

◎ Immediate Action

- County Signs Disaster Declaration
 - Submits to the State of Colorado – Office of Emergency Management
- Governor then Issues an Executive Order
 - Submits to the Federal Government
- President may or may not declare a Natural Disaster
 - Declaration is determined by the indicator (\$6.7M)
 - If indicator is met, FEMA will then kick in
- County Delegates Authority to State, State Delegates Authority to the Federal Government
 - Request Type I Team



WHEN A DISASTER OCCURS

◎ Immediately Activate 3 Operations

1. Emergency Operations Center (EOC)

- Immediately Assess the Magnitude of the Event
 - Identify Resources and Needs
- Coordinate Evacuations
- Coordinate Support Services to the First Responders
- Provide information to the Joint Information Center

2. Joint Information Center (JIC)

- Assure timely and consistent information is being released
- Respond to misinformation and media requests



WHEN A DISASTER OCCURS

⦿ Immediately Institute 3 Operations

3. Incident Command Post (ICP)

- Works in direct coordination with the EOC
- Located close to the disaster site
- Once the Type I Response Team is implemented, the command of the incident shifts from County EOC to the ICP
- Once ICP is up and running, all key decisions will be driven from there
 - Resources Requested
 - Disaster Mitigation Strategies
 - Maps Generated
 - Incident Reports Generated Twice Daily
 - Evacuations and Safe Return to Home
 - Security of Evacuated Areas



WHEN A DISASTER OCCURS

- ◎ Emergency Operations Center & Joint Information Center
 - Logistics- best to be located together
 - Space requirement for growth
 - Information Technology Needs
 - Site Security
 - Coordinate Volunteers & Food



WHEN A DISASTER OCCURS

◎ Incident Command Post

- Site close to disaster, but not too close
- Accommodate significant operations- schools work great (will need an IGA)
- Sufficient land around the ICP to allow for chow tents/restrooms/personal tents and parking large equipment
- Robust wifi and cell service for communications
 - Potential back-up Mobile Cell Towers
- Ensure Operational Support Services are adequate
- Equipment for Mapping and Plotting
- Security



DURING A DISASTER

- Critical to have appropriate forms in place **prior** to any incident to track costs
 - Get Appropriate Forms to all personnel
 - Which entity is the person with
 - Parameters of any mutual aid agreement
 - Ensure their assistance was requested
 - Appropriate process and authorizations
 - Which site the person working at
 - Tracking time appropriately and immediately; day, time in/out, vehicle unit #, hourly wage, unit cost per hour, service performed
 - Provide the time tracking daily



DURING A DISASTER

Budget and Finance's Role:

- Advise EOC of Amount of Available Funding
- ⊙ Assign someone in the Finance or Budget office to review and track the submitted costs daily
- ⊙ Budget and Finance should track these costs by site and category to understand
 - Initiate a timeline of actions immediately
 - What costs are being incurred
 - What funding streams will cover
 - How much will be covered
- *Declarations and assignments are key*



FUNDING DYNAMICS OF A FIRE DISASTER

Generally During a Type I Fire,
3 Components of FEMA are implemented:

1. Fire Mitigation Assistance Grant (FMAG)
 - 75/25 funding split
 - 25% match either met by the State or by in-kind
 - Fire Suppression
 - Boots on the Ground /Hot Shots
 - Tankers/ Fuel/ Slurry/ Water
 - Everything it takes to operate the Incident Command Post
 - Everything it takes to feed, support, and inform the first responders



FUNDING DYNAMICS OF A FIRE DISASTER

2. Category B – Emergency Protective Measures

- Patrolling evacuated areas
- Securing the property within the evacuated areas
- Many times this is delegated to the National Guard and other jurisdictions
 - If the event is outside the other jurisdictions, they are eligible to receive 75% reimbursement for full-time wages, not just over-time

3. Category H

2. Fire Suppression
3. Directly coincides with FMAG



FUNDING DYNAMICS OF A FIRE DISASTER

1. FMAG -Key is to have all invoices paid through the National Incident Management Team (NIMT) at the ICP
 - Meet with the purchasing and finance team as soon as they occupy ICP
 - Familiarize yourself with their processes and forms
 - Get approval prior to purchasing
 - Get the invoices to them ASAP
 - This will ensure no hard dollars paid out of your County

NIMT's last estimate of Black Forest Fire cost was \$11M



FUNDING DYNAMICS OF A FIRE DISASTER

1. Categories B & H costs must be captured and compiled by the County if they are not submitted to the NIMT at the ICP
 1. Gather all costs by entity
 1. Mutual Aid agreement is critical
 2. County time for a County Incident is only reimbursed for over-time paid
 1. Human Resources Policy is key
 2. Shift Time – Is it their regular shift?
 3. Time and resources provided by your exempt staff not reimbursable
 4. Qualified costs incurred are reimbursed at 75%



FUNDING DYNAMICS OF A FIRE DISASTER

- ◎ Costs Captured by El Paso County, not submitted through the NIMT:
 - Waldo Canyon Fire \$1.5M
 - Black Forest Fire \$1.5M
 - Includes both hard and soft costs
 - Hard Costs were about \$500,000
 - FEMA reimbursements are:
 - \$200,000 for Waldo Canyon Fire
 - \$133,000 for Black Forest Fire

Still not received reimbursement for Waldo Canyon Fire in June 2012

CASH FLOW IS KEY



DURING A DISASTER

- STARTING RECOVERY EFFORTS

- ◎ While the Fire Incident is occurring, damage assessments and recovery efforts will begin:
 1. Private and Public Damage Assessments
 - Develop a Team with your Assessor and Regional Building Department
 - Rely Heavily on their records and assessments
 - GPS units and maps are key
 - Excellent Communication and good notification plan is necessary
 2. Recovery and Re-entry
 - Coordinate with Health Department, Public Works, Household Hazardous Waste, Red Cross, Waste Companies, Utilities
 - Establish a great communication and implementation plan



DURING A DISASTER

- STARTING RECOVERY EFFORTS

3. Disaster Assistance Center (DAC)

- Identify a key location & logistics
 - To accommodate foot traffic and parking
 - Plug & Play with IT
- Set-up support from DHS, Health Department, Workforce Center, Small Business Programs
- Coordinate Non-Profit Partners on their services and available resources
 - Counseling, Goodwill, Red Cross, Salvation Army, Religious Support
- Coordinate with Insurance Companies to ensure assistance for fire survivors
- Coordinate Volunteer Efforts

Some DAC Costs may be reimbursable



DURING A DISASTER

- STARTING RECOVERY EFFORTS

- ◎ Damage Assessments - Additional FEMA Categories may kick in
 1. Indicator of \$6.7M (ish)
 2. Uninsured public and non-profit damage
 3. Qualify for **Public Assistance**
 1. Significant Cost to County
 2. Buildings and Grounds
 3. Right of Ways
 4. Roads
 5. Bridges
 6. Culverts
 7. Power Lines
 8. Trails
 9. Hazardous Trees



DURING A DISASTER

- STARTING RECOVERY EFFORTS

1. FEMA – Public Assistance

- Reimbursable at 75% (greater % available if done soon)
- Tricky- “Devil in the Details”
- Must expend the funds first and wait for reimbursement

Key to mitigating a disaster is cash flow!

- Up-fronting the costs and waiting maybe two years for reimbursement
- El Paso County’s portion of Public Assistance for the Black Forest Fire is estimated at \$1.5M - \$2.0M
 - **Need to float \$1.1M - \$1.5M**



AFTER A DISASTER - IMPACTS

1. Anticipated Impacts

- Changes to Watershed
- Flood Plain Changes
- FEMA will only cover damage that occurs within the incident period
- Direct Flooding Impacts from the Fire, but no FEMA dollars to address
 - Large disconnect within FEMA
- Look for other funding sources
- Natural Resource Conservation Service (NRCS)
 - Environmental Watershed Protection (EWP)



AFTER A DISASTER - IMPACTS

- Natural Resource Conservation Service (NRCS)
 - Emergency Watershed Protection (EWP)
 - Projects to mitigate and prevent flooding
 - Federal Government may or may not have funds allocated in a given fiscal year
 - However, they do allocate funds as needed based on emergencies
 - Worked out a process with NRCS to receive reimbursement either before or no longer than 30 days after the invoice is paid
 - Great Assistance to Cash Flow
 - El Paso County received \$1.9M in EWP Funds and \$190,000 for technical assistance



IN SUMMARY

FMAG	\$11.0M
Category B&H	\$ 1.5M*
Public Assistance	\$ 2.0M*
NRCS-EWP	<u>\$ 1.9M*</u>
	\$16.4M

**\$5.4M Potentially Mitigate
Cashflow on these items*





Questions?