



# FISCAL IMPACTS OF NATURAL DISASTERS

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# Presentation Overview

- Financial Impacts
  - *Cash Flow*
  - *Revenue*
- Operational Impacts
  - *OEM Staff / Resource Management*
  - *Disaster Roles*



# Financial Impacts

In Millions					
<u>Disaster (Incident Cost)</u>	<u>Federal</u>	<u>State</u>	<u>County</u>	<u>Other</u>	<u>TOTAL</u>
2012 Waldo Canyon Fire	\$13.81	\$3.38	\$1.18	\$1.78	\$20.15
2013 Black Forest Fire	\$9.62	\$2.95	\$1.35	\$1.85	\$15.76
2013 Flooding	\$2.77	\$0.46	\$0.81	\$0.47	\$4.51
2015 Flooding	\$3.75	\$0.00	\$3.23	\$0.00	\$6.98
	<b>\$29.96</b>	<b>\$6.78</b>	<b>\$6.56</b>	<b>\$4.10</b>	<b>\$47.40</b>
<i>Additional Recovery Projects</i>	<i>\$11.11</i>	<i>\$0.03</i>	<i>\$1.55</i>	<i>\$0.05</i>	<i>\$12.74</i>
	<b>\$41.06</b>	<b>\$6.82</b>	<b>\$8.11</b>	<b>\$4.15</b>	<b>\$60.14</b>



# Financial Impacts

## Cash Flow

- During Incident
  - *Purchasing Power*
    - Processes and Procedures
      - *Authorizations*
    - Vendors Established
    - Know Available Services and Goods (Capacity)
    - Purchasing Cards
      - *Limits Established / Overrides*
    - Monitor Initial Outflow
      - *Budget Impacts*
      - *Timing of Reimbursements*
    - Know what is reimbursable



# Financial Impacts

## Cash Flow

### ■ Recovery Projects

- *What is your financial capacity to upfront project costs*
- *How are you able to upfront the costs*
  - Which funds are available for use
  - Are your reserves sufficient
  - How long can you sustain the outflow of cash
    - *Delayed reimbursements*
  - Ensure statutory and regulatory compliance
- *What if you don't get reimbursed*
- *How else can you meet your local match*
  - Community partnerships



# Financial Impacts

## Revenue Sources

- Sales Tax Impacts
- Significant Pockets of Increases due to Rebuilding/Recovery
  - *Construction materials*
  - *Retail sales (furniture/household appliances)*
  - *Landscaping Materials*
  - *Vehicle Sales*
- Temporary Boost – Average increases of 6.7%
- New Revenue - due to insurance proceeds
- Don't forget the overall Economic Impacts of Increased Demand for Labor



# Financial Impacts

## Revenue Sources

- Property Tax Impacts
- Issued Temporary Reductions
- 2-year Tax Credits
- Total Impact to our \$45M Property Tax Revenue was \$56K
  - *One-tenth of one percent*
- Provided Relief to Affected Tax payers
  - *Minimal Impact on County's Bottom Line*
- Properties Re-Assessed after two year grace period
- No Stigma with Devastated Areas



# Operational Impacts

## Office of Emergency Management

### ■ OEM Staff

- *OEM Staff of 5-12 people*
- *During an Incident*
  - Coordinate and organize resources needed for a disaster
- *Resources Need to Be Ready to Respond*
  - Appropriate staff is trained
  - Resources are available and deployable
  - Processes are in place, so activation is fast and seamless
  - Administration implemented an internal “on call” list
    - *During Peak Disaster Season*
    - *Coordinated with Human Resources*
    - *Addressed in Personnel Policy*





# Operational Impacts Administration

- Identify “Disaster Roles”
  - *May not be associated with current role*
  - *Identify willing staff to help*
  - *Back-up equipment/trucks (insured)*
    - Provide Car Magnets
  - *Have “floating staff”*
    - Fill in where needed
    - “Runners”
  - *Manage schedules and pace staff*
    - Be careful of burnout and fatigue
    - *Disasters are a marathon, not a sprint*





Questions?