

Some say Oklahoma should plan financially for next disaster



Doug Enevoldsen: He says about \$4 million a year should cover state liability.

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## **Oklahoma needs to plan for rainy days - and the tornadic, icy and drought-ravaged ones as well, city and state emergency management leaders say.**

For years, Oklahoma's Emergency Fund has built up a mounting pile of unpaid bills, leaving local government agencies holding the bag - sometimes for millions of dollars.

The emergency fund is used to pay one-eighth of certain government costs for dealing with disasters that have federal approval for assistance. The federal government picks up 75 percent of the cost.

But during recent tough economic years, which coincided with a lot of costly disasters, the Oklahoma Legislature didn't appropriate enough money to pay off the state's share. So local government agencies - including cities, towns, counties, public utilities and rural water districts - just had to wait for their reimbursements.

After prodding by Gov. Mary Fallin, the Legislature approved a \$34.1 million supplemental appropriation earlier this year, which was enough to pay off all the bills, some of which went all the way back to 2007.

But Bixby City Manager Doug Enevoldsen says the Legislature should be doing more. The state should be thinking ahead because another disaster will occur sooner or later.

"Logic suggests and experience suggests that there's going to be additional disasters in the future, and wouldn't it be prudent to prepare for that in advance by beginning to provide for some additional dollars?" said Enevoldsen, who previously worked as a legislative budget aide and a top official in the Office of State Finance.

"I've seen it too many times, and my heart goes out to these communities that are suffering these disasters. I feel that there's got to be a better way," he said. "It creates immense fiscal stress on a community that's already under

duress."

His suggestion: either a dedicated state funding source for the emergency fund or a routine annual appropriation to keep the fund liquid.

For about \$4 million a year, he figures the state can build up a sufficient balance to fund its share of disaster costs.

"The governor this year and the Legislature have shown tremendous leadership in coming together and making that appropriation to catch up," Enevoldsen said. "The next step is to be proactive in appropriating dollars."

State Director of Emergency Management Albert Ashwood said that since 1953, only Texas and California have had more presidentially declared disasters than Oklahoma.

Since 2007, no state has had as many as Oklahoma.

Ashwood said appropriating money to the emergency fund before disasters occur is "absolutely good thinking."

It would allow the state to pay its share of recovery costs as fast as the federal government determines what they are, he said.

The last time the state was current with its share of emergency costs was Jan. 1, 2007, he said.

Federal law determines what costs can be reimbursed and restricts payments to only those emergencies with the greatest impact.

The recent tornado that struck Woodward, for example, was not sufficiently massive to trigger funding.

In approved disasters, the federal government picks up 75 percent of the approved costs. By decades-long tradition, Oklahoma splits the remaining costs with the local government that incurred the loss - 12.5 percent each.

The smaller the community, the more severe the financial stress of a disaster can be, said Collinsville City Manager Pam Polk.

In the 2007 ice storm, the city of 6,000 was essentially blacked out for weeks, she said.

The municipal electrical utility's three-man repair crew wasn't up to the enormous task, so the city contracted repair work at a huge cost, she said.

For a city with an annual budget of about \$3.5 million and a utility authority budget of \$7 million, it was an enormous financial stress, she said.

"We struggle with the budget and the finances," she said. "We did not have the money."

Collinsville borrowed money from a bank to pay off the ice storm recovery. The city got its federal reimbursement of more than \$1 million but had to wait another 18 months for the state to come through with its share.

She said Enevoldsen's idea "definitely makes sense," and adds that she hopes Collinsville never ends up in such dire straits again.

"I hope it never happens on my watch again, anybody's watch really," she said.

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The Oklahoma Department of Emergency Management is awaiting a \$34.1 million supplemental appropriation to pay the state's share of emergency responses that date back to 2007.

Here's a sample of some of the biggest total pending bills, shown by the date they were declared disasters:

**Feb. 7, 2007 (oldest pending claims):** Two winter storms, \$4.6 million

**Aug. 24, 2007:** Severe storms, tornados and flooding, \$1 million

**Dec. 18, 2007:** Severe winter storm, \$4 million

**May 9, 2008:** Severe storms, tornados and flooding, \$1.7 million

**March 5, 2010:** Severe winter storm, \$19 million

**June 6, 2011:** Storms, tornados, winds and flooding, \$1.2 million

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