



**OVERVIEW OF
DISASTERS –
DERECHO AND
HURRICANE BERYL**

Finance Department

September 9, 2024



Agenda

FEMA
reimbursements
and how the
process works

What services
have been
submitted for
reimbursement

What are we
planning to
submit

What has been
spent so far and
what funds have
been used

Budget
stabilization fund
status

Anticipated "final
bill"



Categories of Work

Emergency Work

Category A – Debris Removal

Category B – Emergency
Protective Measures

Permanent Work

Category C – Roads and Bridges

Category D – Water Control
Facilities

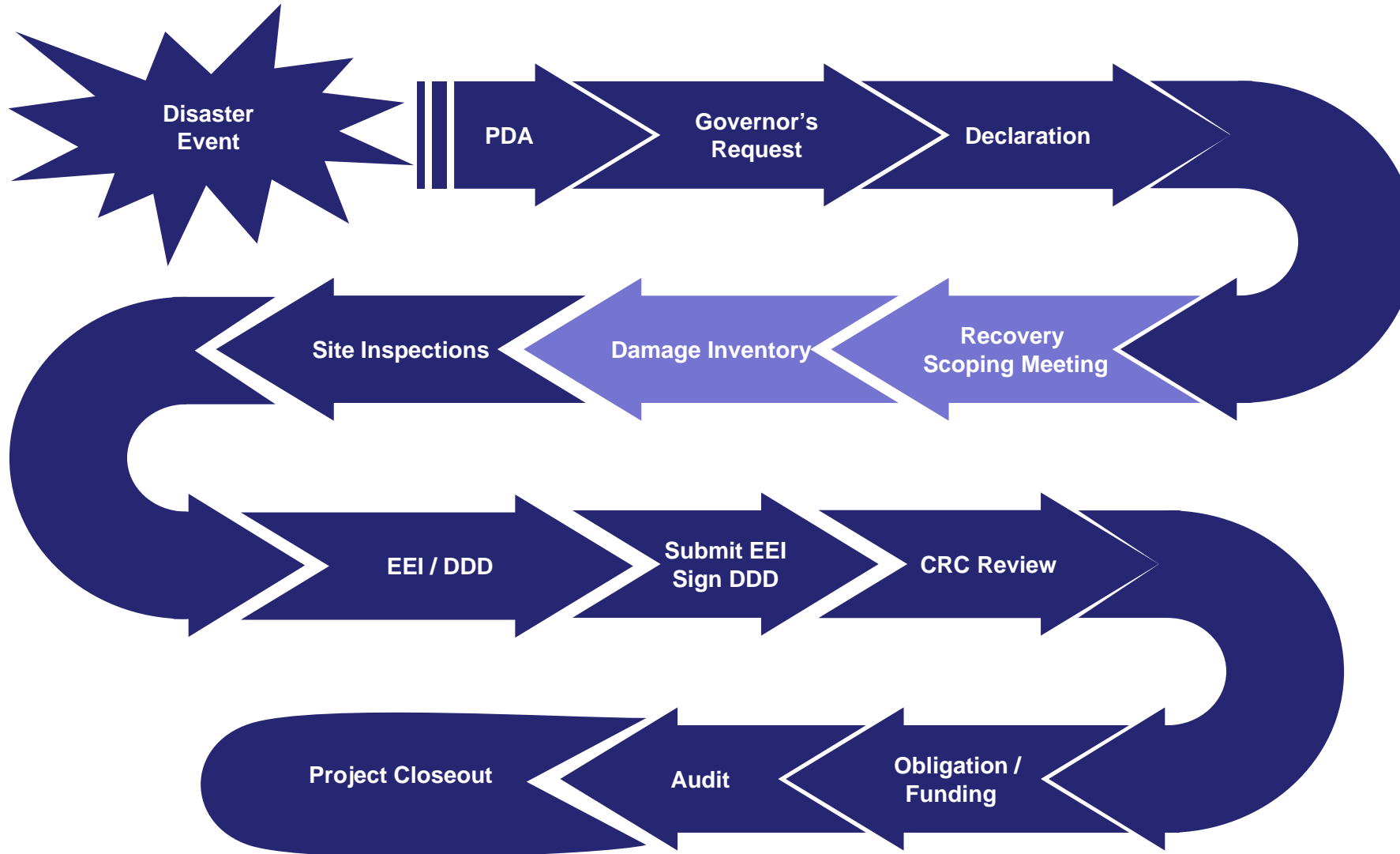
Category E – Buildings and
Equipment

Category F – Utilities

Category G – Parks,
Recreational, and Other



FEMA Public Assistance (PA) Process



Acronyms Legend:

CRC – Consolidated Resource Center

DDD – Damage Description and Dimension

EEI – Essential Elements of Information

PDA – Preliminary Damage Assessment



FEMA PA Reimbursement Process

- All eligible costs will be submitted as bills are paid, work is completed, and documentation is generated
- The City has started submitting costs related to debris removal and emergency protective measures
 - Typical timeline for full reimbursement of costs is projected to be between 1 and 3 years.
 - FEMA and the State require a federally compliant procurement for all work and review nearly every document associated with costs
- The process for submission and reimbursement of permanent repair work is a multi-year process



FEMA PA Reimbursement Cost Share

- Federal Share = 75%
 - This is the maximum potential reimbursement amount that FEMA will cover
- Local Share = 25%
 - This is the amount that must be covered by the City of Houston



Preliminary Cost Estimates

As of August 2024

FEMA Damage Categories	Derecho (DR 4781)	Beryl (DR 4798)	Total
Category A (Debris Removal)	\$ 35,505,085	\$ 95,292,464	\$ 130,797,549
Category B (Emergency Measures)	2,976,827	32,285,175	35,262,002
Categories C - G (Permanent Work)	5,407,900	39,161,279	44,569,179
Total Cost Estimates²	\$ 43,889,812	\$ 166,738,918	\$ 210,628,730
Expected FEMA Reimbursement ¹	\$ 32,917,359	\$ 125,054,188	\$ 157,971,547
Local Share - City Burden	\$ 10,972,453	\$ 41,684,729	\$ 52,657,182

¹ Based on Federal Share of 75% per current Presidential Declaration

² These cost estimates are very fluid and subject to change



Initial Projections Submitted to FEMA

DR-4781 (Derecho)		A	= A x 75%	= A x 25%
Category	Projection Submitted	Obligated	Federal Share (75%)	Local Share (25%)
A-Debris Removal	\$ 33,444,633	\$ 16,722,316	\$ 12,541,737	\$ 4,180,579
B-Emergency Services	\$ 6,856,599	\$ 0	\$ 0	\$ 0
DR-4781 TOTAL	\$ 40,301,232	\$ 16,722,316	\$ 12,541,737	\$ 4,180,579

DR-4798 (Beryl)		A	= A x 75%	= A x 25%
Category	Projection Submitted	Obligated	Federal Share (75%)	Local Share (25%)
A-Debris Removal	\$ 95,292,463	\$ 47,646,231	\$ 35,734,674	\$ 11,911,557
B-Emergency Services	\$ 32,285,175	\$ 0	\$ 0	\$ 0
DR-4798 TOTAL	\$ 127,577,638	\$ 0	\$ 0	\$ 0

Note: No FEMA Funds have been received to date. The above projections were developed and submitted to FEMA immediately following each disaster event. They will change in the future as projections continue to be updated and recovery work is completed.



Spend to Date

- Debris spend to date
 - Derecho – \$17.9 million; Funding Source Budget Stabilization Fund
 - Beryl – \$0
- Emergency work (Payroll, EPOs, etc.) spend to date
 - Derecho – \$2.3 million; Funding Source Departmental Budgets
 - Beryl – \$13.9 million; Funding Source Departmental Budgets
- Costs incurred in Departmental Budgets will be moved to the disaster fund once reimbursement from FEMA is received



Projected Cash Flows

DESCRIPTION	ESTIMATES		
	DR 4781	DR 4798	Combined
INFLOWS			
FEMA Reimbursement	\$ 20,934,393	\$ 92,892,982	\$ 113,827,375
FEMA Advance	\$ 11,982,966	\$ 32,161,207	\$ 44,144,173
Budget Stabilization Fund (BSF)	\$ 19,000,000	\$ 4,000,000	\$ 23,000,000
Total Inflows	\$ 51,917,359	\$ 129,054,188	\$ 180,971,547
OUTFLOWS			
<i>Emergency Protective Measures:</i>			
Category A	\$ 35,505,085	\$ 95,292,464	\$ 130,797,549
Category B	\$ 2,976,827	\$ 32,285,175	\$ 35,262,002
<i>Permanent Work:</i>			
Categories C - G	\$ 5,407,900	\$ 39,161,279	\$ 44,569,179
Sub Total - Disaster Costs All Categories	\$ 43,889,812	\$ 166,738,918	\$ 210,628,730
<i>Other:</i>			
BSF Replenishment	\$ 19,000,000	\$ 4,000,000	\$ 23,000,000
Total Outflows	\$ 62,889,812	\$ 170,738,918	\$ 233,628,730
NET ACTIVITY***	\$ (10,972,453)	\$ (41,684,729)	\$ (52,657,182)

* FEMA Reimbursement is based on a Federal Share of 75%.

** Outflows are based on preliminary cost estimates and are very fluid/subject to change.

*** Local Share 25%: General Fund - ~\$39,906,661; Non-General Fund - ~\$12,750,521



Budget Stabilization Fund (BSF)

Transferred \$23M from BSF to Disaster Recovery Fund in July 2024 (FY 2025).

Use of Transfer from BSF	DR-4781 Derecho	DR-4798 Beryl	Total
<i>Encumbered for:</i>			
Debris Removal	\$18,000,000	\$3,000,000	\$21,000,000
PA Consultant	\$1,000,000	\$1,000,000	\$2,000,000
Total Amt Transferred	\$19,000,000	\$4,000,000	\$23,000,000
<i>Expenditures:</i>			
Debris Removal	\$17,851,851	\$0	\$17,851,851
PA Consultant	\$0	\$0	\$0
Total Expenditures	\$17,851,851	\$0	\$17,851,851
Pending Expenditures	\$1,148,149	\$4,000,000	\$5,148,149

* Funds from BSF are being used to pay for a portion of debris removal and PA Consulting costs.

** Current Remaining BSF Funds ~1.4 million



Final Amount

- Refer to Slide 7 for the projected final amount for both the Derecho (DR-4781) and Hurricane Beryl (DR-4798).
- The maximum expected reimbursement is based on the Federal Share amount.
 - Federal Share of 75% = **\$157,971,547**
 - Local Share of 25% = \$52,657,182



Questions?

