EMPG FUNDING FORMULA COMMITTEE MEETING  
September 18, 2012  
1:30 – 4:00  
Salishan  

Members in Attendance: Nancy Bush, Chair; Mary King, Secretary; Todd Felix, Dean Bender, Rob Hunsucker, Glenda Hales, and Don Webber.  

Comments and Suggestions Provided by: Mike Davidson  

Staff: Dan Gwin, Kelly Craigmiles, and Tracy Miller  

Discussion  

Numerous suggestions have been discussed at past meeting as possible “categories” for consideration in a funding formula. The group agreed to identify those which they felt would not work and those which they felt would in a funding formula and the rationale behind their decisions and provide all information to OEM on January 15, 2013.  

Not viable for a funding formula:  

1. **Surge Population:** The question was brought up at EMPG meeting on if this would be addressed / considered by Jenni Demaris. The ability to determine how to figure this into a formula was discussed and it was decided that every community has a surge in populations at different times of the year or during events, etc. The committee members agreed that it affects everyone across the board it evens out the risk and should not be a factor in any of the formulas.  

2. **Disaster Declarations:** Because of the types and amounts of declarations (local, state, conflagration, SBA, Agriculture, etc…) and the fact that there are so many already and no way of predicting how many a county would have per year, this was not seen as a viable factor to consider.  

3. **Level of Planning and Enhanced NHMP:** This was not seen as a viable option as FEMA requires entities to have a NHMP to be eligible to access mitigation funding, particularly funds associated with a federal disaster. In addition, OEM works with all 36 counties and respective cities in the development of their plans, so basically everyone has one. Don recently read in a report to congress that stated the NHMP was strictly voluntary program.  

4. **“Other Funding Sources”**: Such as UASI, SHSP, HPP, ONC, etc. should not be considered as this varies from year to year, is not a stable source, and cannot be predicted for any fiscal year.  

5. **Forcing EMPG Funded Cities to Receive Funds through their County:** While the respective cities and counties are encouraged to work together in the development of their work plans, OEM will not make funding conditional on this requirement. For
accountability and audit purposes, OEM prefers to do a stand-alone grant agreement with each sub-grantee.

6. **Land Mass**: Based on discussions *(see Alaska Formula outlined later)* the group decided not to use landmass as part of the formula but that it would be recognized as an impact that can be covered by the base, many of the jurisdictions will not be able to match the base as it is.

**Recommend Considering for Funding Formula:**

Nancy noted many states use population as a base for their formulas. She's been looking for other alternative, and so far only Maine and Alaska have had other characteristics besides population.

1. **Tribal Set-Aside**: Max of 5% of funds available to Tribal jurisdictions, similar to SHSP grant. Funds not allocated would go back to the local allocation pot. Tribes must comply with all EMPG requirements to be eligible.

2. **Base level award/amount**: Minimum funding for each EMPG jurisdiction to provide one full time (or the equivalent for a jurisdiction) emergency manager, plus basic supplies and services costs (rent, phone, etc…).

**Discussion:**

Dan averaged the salaries of emergency managers across the state, based on current EMPG budgets, plus 30% for S&S: **$62,500**.

Nancy said that Linda Cook felt that the $62K base is too high. Some of the smaller jurisdictions can’t come up with the match for that amount making the allocation pointless. She felt that if the base were lowered then the minimum would be so that each jurisdiction could fund at least one staff person during poor economic times.

Todd wanted to know what happens to the counties that can’t match the amount of funds they would be allocated by a formula. KJ, they would give back whatever they can’t use and it would go back into the pot to be distributed to others. They would still need to put in an operating budget.

KJ suggested considering $40,000 as a base since this is approximately the amount eight (8) of the lower funded jurisdictions are able to match.

*The group felt that the $62,500 was a low enough base, and they should focus on finding a way to redistribute the leftover funds from the counties that could not meet the base match (see discussion further in notes on redistribution/reallocation).*
**Formula Discussions**

*Note: For purposes of sample formula spreadsheets the population data is based on 2010 US Census Data. For counties with EMPG funded cities the city population has been removed from the county total. For cities located in two counties, the population is similarly adjusted (this is provided in the Census Data).*

*Discussion:* Rob spoke with Scott Porter about the option of deducting the population for EMPG cities from the county. Scott was not in disagreement with this but did not feel it should be a dollar for dollar or 100% deduction for the county. Dean asked if the County would have a say in this.

1. **Alaska Formula:** The Alaska formula of land mass (20%), population (40%) and incorporated cities (40%).

*Discussion:*

Rob wanted a better understanding of the definition of land mass; Malheur County is 72% federal lands - would it be total land mass, or County owned property? Even though federally owned land, counties still have to respond during a disaster.

How do we look at land mass and how it affects the cities, would the cities land mass be removed from the calculation? There are a lot of unincorporated cities recognized in the State, if we just look at incorporated cities this could be an issue. Mary added in the unincorporated cities into the formula she was working on with Dan at the time (using the Alaska formula).

2. **Land Mass:** Mary and Dan have been working on the trial on the land mass formula option and said it was looking pretty good. They picked Clackamas and Malheur. Malheur would be eligible for $113K, they would probably not be able to use all of that but it is a good amount for a robust program. Clackamas would be eligible for $275,600, which would be less than they received, but that is not taking into consideration the reallocation formula of leftover funds.

3. **Population Based, Tiered:** Recommendation from 2011 EMPG Workshop. KJ provided spreadsheet examples *(now posted on OEM website)* Based on population each county/city got a base award, example of lowest base being $25K, as the county population went up then the base allocation went up, so that if the population was 400,000 it would be $60K.

4. **“Dan’s” Base Allocation:** Utilize minimum base of $62,500 per jurisdiction, pus percentage based on jurisdictional population.
Other Discussion Topics:

Fund Reallocation

There was extensive discussion on how funds are currently reallocated and numerous suggestions as to how this should be done.

Do the funds go out equally across the board to all counties that can come up with match? Does it go back to the jurisdictions that received a budget cut? Can it be offered to the cities that need an emergency manager? Could interested counties apply for the money in a competitive application? KJ said that a problem with doing a competitive “round two” puts it to grading of the projects, developing a new application and scoring criteria, establishing a review committee, and ultimately having a second grant agreement. (Note: This would require separate reporting and billing quarterly).

Dan has a concern with the competitive route for projects because it opens up the door for equipment and that could be a long term issue from FEMA. There were 27 new requirements in the FY12 federal grant agreement which must be passed on to subgrantees. Items such as if you buy a fixed asset with EMPG funds you will have to track it and do an annual report on it. If you do an EOC project, it becomes a 30 year asset the local will have to do an annual (federal) report on. When you want to get rid of the item there is another set of federal requirements that need to be followed.

The state’s grant is on a 2 year cycle with locals having a 12 month budget and programmatic reporting cycle. The leftover funds are redistributed as evenly as possible at the end of the 12 months on a month to month basis. OEM spends it down for July and August, and then issues grant agreements for the new FY money – spend all of the “old” before starting on the newest funding.

Status Now: Right now Dan is looking to get everyone paid through June 30 and seeing what is left over. All leftover funds would go towards paying for July, or as much as possible. Not necessarily a fair and equitable way but it is how OEM is paying for the 12 month period.

Supplanting of Funds

Unfortunately this occurred in the past when Oregon had a large increase in funding and a city program was added or SAR personnel were fund shifted under EMPG. This is against federal grant guidance. OEM cannot penalize the jurisdictions for a past OEM decision, but will extensively scrutinize every budget request and staffing pattern for potential supplanting of funds.

If a Tribe or City with an existing EM program were to become EMPG funded they would need to demonstrate how the funding will expand their program and capability,
not just replace current Tribal or local funding. In addition they would have to meet all EMPG grant requirements, including past ones such as completion of the PDS.

If a currently funded jurisdiction wants to add a position they will need to clearly demonstrate how the position will be involved in the day-to-day program (ie: their duties) and that it truly is a new position for the jurisdiction.

One thing OEM is looking at for next year is requiring proof (time cards) of who is really doing emergency management duties and the amount of time they are doing it. Right now the only requirement to report is the training and exercise. The funding formula group suggested making it a requirement that the funds go towards emergency management and reporting showing this.

Adding Additional Cities

1. There have been numerous discussions on this topic, with no resolution or recommendations yet. Below are some of the questions/issues identified by the group.

2. Some of the cities already have large, robust, emergency management offices, and counties with small programs are being cut. How will there be enough money for adding additional cities, and it would be even harder if funds are reduced in years to come.

3. How do we determine the size of the city? 70,000 population was discussed, but would then cut out Corvallis (58,000) who’s being funded via Benton County.

4. Would it be fair to add a city that is in a county that already has a robust emergency management office vs. adding one that is part of a county with only one staff member in emergency management?

5. Do we cut cities loose if there is not enough money for counties?

6. Do we grandfather in Portland, Gresham, Beaverton, Eugene, and Salem?

7. There might not be money now, but if in the future a city wants to come on board, what will the process be for them to come on? This needs to be addressed and come up with guidelines. We need to allow for growth, the money may never get bigger, but we need a process for growth.

8. Should we have a statement that OEM would have a way/opportunity for cities to join when times are good, open up a time on a probationary period?

9. What’s to stop a County from adding in their cities now like Benton, Linn, and Douglas have done? Won’t this skew funding awards?
10. If cities want to come on board will it only be the top 10 cities? We should look and put some contingencies on it, perhaps having it where if the funding drops you will be the first dropped, or would we be keeping them on forever?

11. What happens if we add cities now and they get money and build up their programs, then the money goes down and they don't want to give anything away?

12. Will the Commissioners have a say on cities being added in their jurisdiction? If formula is population based the County allocation will be heavily impacted.

13. Should we say no to cities because we have to say yes to Tribes?

14. Todd, suggested that each member of the group take a formula back and develop it, put in the examples. At the next meeting present it in and discuss the percent’s and amounts. This will help see what factors of the formula are viable recommendations. These will also be posted on the OEM website.

15. Nancy, next meeting the group will go over the different formulas. She would like everything out by the beginning of November so our partners can have around 30 days to look at them and give feedback to the group by the end of December. Then there would be something ready for the meeting in January.

16. Do we want to look at what to do if the funding is reduced? As an example show Director Plotner that if the funding is reduced by 5% this is the recommendation on what to do, or to bring on a city the funding would need to be increased by 5%, cities given a trial period for funding.

17. If there was a reduction of funding would we retain the first three original cities, the last two would be the only ones that would go away if the funding got so low….or do we always keep the five? Last in, first out.

**Other Discussion**

Nancy wanted to know if the group wanted to ask Director Plotner to join us at the next meeting. The general consensus was to extend an invitation to him. *(Note: Director Plotner is not available to meet on any of the suggested dates.)*

Todd suggested each member of the group take a formula back and develop it, put in the examples. At the next meeting present it in and discuss the percent’s and amounts. This will help see what factors of the formula are viable recommendations. These will also be posted on the OEM website.
Nancy would like everything out by the beginning of November so our partners can have around 30 days to look at them and give feedback to the group by the end of December. Then there would be something ready for the meeting in January.

**Formula Assignments**

Todd: City Equity Formula  
KJ: Tiered Formula and original discussion formulas  
Dan: Dan’s Formula, and Land Mass  
Mary: City Pass-Through  
Nancy and Dan: All Cities Eligible  
Paulina: Consolidated, Base to counties, 5% to tribes, reallocation.  
Nancy will write up pros and cons of topics that were discussed.

KJ will see that they are put on the webpage under the EMPG Funding Formula section after the group has had a chance to review them.

**Next meeting dates suggested**

Oct 16, 18, or 29 (18th is the preferred date). If Director Plotner is available then the meeting will be in Salem, if not the meeting will be in Bend. Don will find a place.

**Next Meeting: October 16th from 9 am to 3 pm at OEM.**