



**STATE OF NORTH CAROLINA  
OFFICE OF STATE BUDGET AND MANAGEMENT**

MICHAEL F. EASLEY  
GOVERNOR

DAVID T. MCCOY  
STATE BUDGET DIRECTOR

August 20, 2008

The Honorable Marc Basnight  
President Pro Tempore  
North Carolina State Senate

The Honorable Joe Hackney  
Speaker of the House  
North Carolina House of Representatives

Dear Senator Basnight and Speaker Hackney:

I am writing to you as the Chairs of the Joint Legislative Commission on Governmental Operations to report on an additional allocation of \$3, 283,955 from the State Emergency Response Account for the continuing efforts to control and extinguish the Evans Road Fire in Hyde County.

On July 21, 2008, I reported that FEMA had authorized a Fire Management Assistance Declaration for the fire burning in Hyde, Tyrrell and Washington Counties. The FEMA declaration will reimburse the state for 75 percent of the costs associated with fire fighting. However, ancillary costs for support activities not directly related to fire fighting are not eligible for federal reimbursement. Therefore, these costs must be paid for by the state. In my July 21<sup>st</sup> letter, I reported on the allocation of \$774,182 for costs incurred from June 1<sup>st</sup> to June 30<sup>th</sup>. So far this fiscal year, additional costs totaling \$3,283,955 have been incurred for these support activities for a total allocation of \$4,058,137. Pursuant to G.S. § 166A-6.01 and 166A-6.02, the Governor has approved the allocation of these funds from Budget Code 19031, State Emergency Response Account.

With regards, I am

Sincerely,

  
David McCoy

DMc/ag