



Legislation Details (With Board Report)

File #: BC 20-082 **Name:** Health COVID-19 Finance Impacts
Type: Budget Committee **Status:** Agenda Ready
File created: 6/17/2020 **In control:** Budget Committee
On agenda: 6/24/2020 **Final action:**
Title: Support the request to:
a. Receive a COVID-19 financial impact report on the Health Department for FY 2019-20 and FY 2020-21; and
b. Authorize the Auditor-Controller, County Administrative Office, and Office of Emergency Services (OES) to seek reimbursement from Federal Emergency Management Agency (FEMA) and California Office of Emergency Services (Cal OES) for COVID-19 reassigned employees that were budgeted as funded from an external source such as grants or statutorily dedicated funds.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Budget Committee Report

Date	Ver.	Action By	Action	Result
6/24/2020	1	Budget Committee		

Support the request to:

- a. Receive a COVID-19 financial impact report on the Health Department for FY 2019-20 and FY 2020-21; and
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RECOMMENDATION:

It is recommended that the Budget Committee support the request to:

- a. Receive a COVID-19 financial impact report on the Health Department for FY 2019-20 and FY 2020-21; and
- b. Authorize the Auditor-Controller, County Administrative Office, and Office of Emergency Services (OES) to seek reimbursement from Federal Emergency Management Agency (FEMA) and California Office of Emergency Services (Cal OES) for COVID-19 reassigned employees that were budgeted as funded from an external source such as grants or statutorily dedicated funds.

SUMMARY/DISCUSSION:

The Health Department is actively involved in the County’s COVID-19 response efforts and, through its Health Officer, is leading many of the strategies around testing, contact tracing, case investigation, issuance of Health Officer orders, review of industry guidance, community education, and other public health strategies. Many of these efforts are being led by staff in its Public Health Bureau (PH).

PH is primarily funded by grants and statutorily dedicated monies. PH has assigned COVID-19 duties to newly hired unbudgeted temporary employees. PH also reassigned regular employees usually funded by grants. Because the regular employees are no longer working on their usually assigned grant duties, their costs are no longer eligible to be reimbursed by their grants. This results in reduced revenue for the County.

The County may be eligible for FEMA reimbursement as it provides for the reimbursement of personnel costs for temporary employees and for regular employees funded from an external source, such as a grant or statutorily dedicated funds. FEMA reimbursement may not be 100% of eligible expenditures and the actual amount will be determined when the County submits its claim to FEMA for consideration.

PH is projected to spend 18,417 hours and incur \$1,525,058 in FEMA reimbursable personnel costs in FY 2019-20. PH currently has the FTE equivalent of 43 employees working on COVID-19 for \$15,873 in daily personnel costs.

Please see detail below.

Week Ending	Hours Worked	Cost	FTE Equivalent	Percent Change
3/6/20	260	\$ 27,597	8	N/A
3/13/20	310	\$ 32,554	9	19%
3/20/20	656	\$ 62,691	19	112%
3/27/20	895	\$ 86,646	26	36%
4/3/20	965	\$ 92,244	28	8%
4/10/20	999	\$ 95,227	29	4%
4/17/20	806	\$ 75,794	23	-19%
4/24/20	832	\$ 77,560	24	3%
5/1/20	1,114	\$ 87,729	32	34%
5/8/20	1,187	\$ 93,892	34	7%
5/15/20	1,195	\$ 95,175	35	1%
5/22/20	1,171	\$ 92,872	34	-2%
5/29/20	1,174	\$ 90,222	34	0%
6/5/20	1,479	\$ 111,108	43	26%
Year to Date	13,042	\$ 1,121,311		
6/12/20	1,523	\$ 114,441	44	3%
6/19/20	1,569	\$ 117,874	46	3%
6/26/20	1,616	\$ 121,411	47	3%
7/3/20	666	\$ 50,021	48	3%
Projected	5,375	\$ 403,747		
Total	18,417	\$ 1,525,058		

FEMA reimbursement for these FY 2019-20 costs is expected to be received after August 31, 2020, and will therefore be recognized in FY 2020-21.

Health finance staff are coordinating with the County’s Emergency Operations Center (EOC) finance team to maximize FEMA reimbursement opportunities. The final claim amount for PH’s FY 2019-20 personnel expenses will be based on actual hours worked and eligible salaries, benefits, indirect, and other costs.

This report supports the Monterey County Health Department 2018-2022 Strategic Plan Initiatives: 3. Ensure

access to culturally and linguistically appropriate, customer-friendly, quality health services; and 4. Engage Monterey County Health Department workforce and improve operational functions to meet current and developing population health needs.

OTHER AGENCY INVOLVEMENT:

Office of Emergency Services (OES) has reviewed this request and concurs with the recommendations.

FINANCING:

This report appries the Board of Supervisor’s Budget Committee that the Health Department’s current FY 2019-20 Year-end Estimate is \$1,525,058 over FY 2019-20 Adopted General Fund Contribution. FEMA reimbursement is expected for these expenses but will not be received until FY 2020-21. This timing issue will show a need for excess General Fund utilization in FY 2019-20 to cover expenses with reimbursement of the General Fund in FY 2020-21.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Check the related Board of Supervisors Strategic Initiatives:

Economic Development:

- Through collaboration, strengthen economic development to ensure a diversified and healthy economy.

Administration:

- Promote an organization that practices efficient and effective resource management and is recognized for responsiveness, strong customer orientation, accountability and transparency.

Health & Human Services:

- Improve health and quality of life through County supported policies, programs, and services; promoting access to equitable opportunities for healthy choices and healthy environments in collaboration with communities.

Infrastructure:

- Plan and develop a sustainable, physical infrastructure that improves the quality of life for County residents and supports economic development results.

Public Safety:

- Create a safe environment for people to achieve their potential, leading businesses and communities to thrive and grow by reducing violent crimes as well as crimes in general.

Prepared by: Joe Ripley, Finance Manager II, 755-1250

Approved by:

Date: _____

Elsa Jimenez, Director of Health, 755-4526