



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Names: County Executive Office
(CEO)
Department No: 012
For Agenda Of: April 7, 2020
Placement: Administrative
Estimated Tme:
Continued Item: No
If Yes, date from:
Vote Required: 4/5

TO: Board of Supervisors
FROM: Department: Mona Miyasato, County Executive Officer
Directors
Contact Info: Jeff Frapwell, Assistant CEO, Budget & Research
SUBJECT: COVID-19 Related Appropriations

County Counsel Concurrence:

As to form: Yes

Auditor-Controller Concurrence:

As to form: Yes

Recommended Actions:

It is recommended that the Board of Supervisors:

- a) Authorize the County Executive Officer and Auditor-Controller to make budget adjustments necessary to respond to the COVID-19 emergency, including but not limited to the recognition of unanticipated revenues from Federal and State sources and increases to appropriations based on the use of those revenues and draws from fund balances, for ratification and approval by the Board of Supervisors at a later date; and
- b) Approve Budget Revision Request #0006837 to increase appropriations of \$2,000,000 in the Office of Emergency Management General Fund for Services and Supplies funded by release of Committed Strategic Reserve fund balance; and
- c) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA) pursuant to Section 15378(c)(4) of the CEQA Guidelines, because they consist of government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

Summary Text:

The recommended actions and attached budget revision request will grant the CEO and Auditor-Controller the authority to make budget adjustments to recognize State and federal revenues to offset COVID-19 related costs, increase appropriations for COVID-19 related costs, and approve the release of \$2 million from the Strategic Reserve account to be used for COVID-19 related costs.

Background:

The impacts of COVID-19 to the County’s revenues and expenditures are only beginning to be felt, and the County can anticipate increasing costs, new revenues from State and federal sources, and a potential shortfall in appropriations to cover unanticipated costs. The purpose of this letter is twofold: first, to allow the County to recognize unanticipated revenue that will be coming down from the federal and State governments as the public health emergency progresses, and to appropriate the use of that revenue for COVID-19 related expenditures. Second, this letter seeks the authorization to release \$2 million from the Strategic Reserve account to be used to cover expenses expected to be incurred by the Office of Emergency Management through the end of the fiscal year.

The emergency has a community-wide impact, and much of the immediate response costs are being borne by the County. To date, expenses include temporary shelter and services to prevent potential spread and infection among the homeless population; hotel rooms and/or transportation for individuals who need to be isolated and have no other means; purchase of needed medical and PPE supplies for distribution to health care providers, first responders and others; Emergency Operations Center operations and trailer expansion to safely accommodate more staff; printed materials and website assistance through the Joint Information Center; Spanish voice-over translation for press conferences; overtime for non-exempt staff, and other costs. In addition, it is expected that significant costs will be incurred for standing up alternative care and medical beds to support the local hospitals which are without sufficient capacity for a surge in COVID-19 cases. While some Federal and State-funded resources are being utilized (for homeless services, for example), other expenses are funded by the County’s General Fund unless and until State and federal sources provide reimbursement or funding.

The amount drawn from Strategic Reserve may need to be increased in the future, depending on how COVID-19 progresses in our County. We will return to the Board with an update on COVID-19 related revenues and expenses at a future date.

Fiscal and Facilities Impacts:

Budgeted: No

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Annualized On-going Cost:</u>	<u>Total One-Time Project Cost</u>
General Fund	\$ 2,000,000.00		
Total	\$ 2,000,000.00	\$ -	\$ -

Narrative:

The attached budget revision request will release \$2 million in Strategic Reserve funds into the County Executive Office – Office of Emergency Management budget to be used to cover unanticipated costs related to the COVID-19 response activities. The County Fund Balance Policy allows use of Strategic Reserve to front-fund or completely fund disaster costs if the events have been legally declared to be a

disaster at the local, state or federal level. In addition, this Board letter gives the CEO and Auditor-Controller the authority to make budget adjustments to recognize revenues and increase appropriations based on use of those revenues and fund balance draws as needed to respond quickly and appropriately to COVID-19.

Staffing Impacts:

No staffing impacts are anticipated.

Special Instructions:

Please email a copy of the approved minute order to Wesley Welch, County Executive Office.

Attachments:

Attachment A: Budget Revision Request #0006837

Authored by:

Rachel Lipman, County Executive Office

cc: