



Legislation Text

File #: 20-0482, **Version:** 1

Chief Administrative Office, Emergency Medical Services and Emergency Preparedness and Response Division, recommending the Board:

- 1) Approve and authorize the Chair to sign a budget transfer:
 - a) Establishing an administration allocation for the Division;
 - b) Increasing revenue and appropriations in Public Health Preparedness Grant programs to match awards received;
 - c) Adjusting fund balance and appropriations by \$217,919 in the Emergency Medical Services budget;
 - d) Increasing interfund transfers by \$186,781 from County Service Areas 3 and 7 for payment of the County's ambulance billing contractor and administrative costs related to the Ambulance Billing program;
 - e) Making balancing entries and adjustments within sub-funds; and
- 2) Approve and authorize the Chair to sign a budget transfer correcting errors in the original establishment of the budget for the Ambulance Billing program within the Chief Administrative Office.

FUNDING: County Services Areas #3 and 7, Public Health Preparedness Grants.

DISCUSSION / BACKGROUND

Budget Transfer #1

Establishment of an Administration Allocation

The Chief Administrative Office, Emergency Medical Services and Emergency Preparedness and Response Division ("Division") was initially created by the Board (Legistar 18-1740, 12/11/18) by the transferring of the Emergency Preparedness and Emergency Medical System programs from the Health and Human Services Agency ("HHS") to the Chief Administrative Office. In the original Division chart of accounts and budget, all transactions were required to be assigned to either 1) Emergency Medical Services, funded by Ambulance-specific funding sources, or 2) Public Health Preparedness Grants. The current Fiscal Year (2019-20) is the new division's first budget year.

Since the establishment of the budget, the Division has taken on additional activities and responsibilities. On August 8, 2019 (Legistar 19-1175) the Board approved the additional staff and funding for Vegetation Management within the Division. Additionally, Division staff perform Continuity of Operations Planning and other activities at the direction of the Chief Administrative Officer.

The Division and the Chief Administrative Office, Central Fiscal Division are recommending that administrative and indirect costs which benefit the full Division be incurred in an Administration organization code, and allocated proportionally to each program or funding source within the Division. This methodology will allow costs such as office expenses, inter-departmental cost applied charges, and salary and benefits of the Division manager to be allocated appropriately to all programs.

In order to allow an allocation of administrative charges, the budget transfer moves appropriations for Division-wide costs from individual programs to the Administration code and then establishes inter- and intra-fund transfers to allocate charges to the programs.

Increasing Revenue and Appropriations in Public Health Preparedness Grant Programs

The Division includes four Public Health Emergency Preparedness grant program budgets. The current budgets were based on estimates of grant awards. The budget transfer increases total appropriations and estimated revenue by \$70,000 for use of a prior year Hospital Preparedness Program grant award that has rolled over to the current year as a No Cost Extension. The budget transfer also increases the budgets for several programs by a total of \$2,765 for awards that were higher than anticipated.

Re-appropriating \$217,919 in Emergency Medical Services budget that was administratively removed during the Final Budget process due to a pending fund balance transfer

The original approved recommended budget for the Emergency Medical Services program included Use of Fund Balance in the amount of \$217,919. The program is primarily funded by CSAs #3 and 7. The use of fund balance amount would have reduced the amount charged to the CSAs for the current year.

In the County budget process, fund balances are projected for the recommended budget prior to the close of the fiscal year, and then corrected administratively during the final budget process after the fiscal year begins. Because the transfer of fund balance had not been completed before the final budget process occurred, the \$217,919 was removed from the program's budget, and total appropriations were reduced.

On February 25, 2020 the Board approved the transfer of fund balance from HHSA (Legistar 20-0196). The fund balance will be transferred to the CSAs.

The budget transfer increases appropriations within Emergency Medical Services and transfers from the CSAs by \$217,919 to restore the original budget amount.

Appropriating transfer of \$186,781 from County Service Areas #3 and 7 for payment of the County's ambulance billing contractor and administrative costs related to the Ambulance Billing program

On October 22, 2019 the Board approved a budget of \$122,371 for the Ambulance Billing program within the Chief Administrative Office, which transferred from HHSA in January 2020. That budget did not include any funding for administrative costs that will be spread to all programs as discussed above. The budget transfer increases the program budget by \$21,781 for the administration allocation for the program, and also includes commensurate transfers from the CSAs to the Ambulance Billing program.

Beginning January 2020, Wittman Enterprises is conducting ambulance billing under contract for the Division (Legistar 19-1673, 12/10/19). The budget transfer includes increases to appropriation within the CSAs of \$165,000 for payments to Wittman. These payments will be offset by eventual decreases to payments to the County's previous ambulance billing contractor and potentially by

increased revenues. The amount being requested is an estimate, as the billing is currently still in transition. If the actual payments to Wittman are less than estimated, the funds will be retained in the CSA funds.

Making balancing entries or adjustments within sub-funds.

The budget transfer includes minor increases or decreases to services and supplies line items in order to balance budgets by fund after making the above revisions.

The budget transfer appropriates \$32,000 to transfer to Information Technologies for payment for applications development work. The Division has engaged Information Technologies to develop an application for data management that had previously been processed by an outside vendor.

The Emergency Preparedness Grant Programs are partially funded by Public Health realignment funds via transfers from HHSA. These fund expenditures that are not reimbursable by the grants. The budget transfer reallocates the realignment revenue transfer amongst grant programs. The total use of realignment funds is not increased or decreased.

Budget Transfer #2

Reapprove and authorize the Chair to sign a budget transfer that was previously approved with a missing page, establishing budget for the Ambulance Billing program within the Chief Administration Office.

On October 22, 2019, the Board of Supervisors approved a budget transfer establishing appropriations for the Ambulance Billing function within the Division. The electronic version of the budget transfer attached to the Legistar item only included the first page of the transfer.

The budget transfer is attached in its entirety. All analysis of budget transfer #1 above assumes and incorporates the amounts on budget transfer #2.

ALTERNATIVES

The Board could direct the Chief Administrative Office to develop a different methodology to account for administrative costs. Many of the appropriations adjustments are necessary to allow the Division to meet contractual or statutory obligations.

PRIOR BOARD ACTION

Please see details in Discussion/Background section above.

OTHER DEPARTMENT / AGENCY INVOLVEMENT

N/A

CAO RECOMMENDATION / COMMENTS

Approve as recommended.

FINANCIAL IMPACT

Budget Transfer #1

This budget transfer has no net General Fund impact. All expenditures incurred in the General Fund as a result of this budget transfer will be reimbursed by other funding sources.

This budget transfer increase use of CSA #3 funds by \$88,734 and CSA#7 funds by \$315,966, for a total increase of \$404,700. Of this amount, \$217,919 is the reestablishment of appropriations that were removed due to the fund balance transfer from HHSA, and does not indicate an increased use of CSA funds. The remaining \$186,781 represents an increase to use of CSA funds for Ambulance Billing program overhead costs and payments to Wittman Enterprises.

The budget transfer increases estimated revenue and appropriations within the Emergency Preparedness programs by \$72,765 to match current grant award amounts.

Budget Transfer #2

This budget transfer increases use of CSA funds by \$112,371 for the Ambulance Billing program. The budget transfer included in an item approved by the Board on October 22, 2019 (Legistar 19-1488). The budget transfer is being presented for reapproval because only the first page of the document was attached to the original Board item.

CLERK OF THE BOARD FOLLOW UP ACTIONS

Obtain Chair's signature on both budget transfers and forward to Auditor/Controller's Office for processing.

STRATEGIC PLAN COMPONENT

Good Governance

CONTACT

Sue Hennike, Deputy Chief Administrative Officer