



TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Karl R. Amylon, City Manager

DATE: November 13, 2020

RE: **COVID – 19 Financial Report for the Period Ended October 31, 2020**

Attached for City Council review is the COVID – 19 Financial Report for the period ended October 31, 2020. Finance Director Bob Newell will attend the City Council meeting of November 19, 2020, in order to address any questions and/or concerns that Councilmembers may have.

MEMORANDUM
CITY OF KETCHIKAN, ALASKA
Finance Department
Office of the Finance Director

Bob Newell, Finance Director
Camille Nelson, Financial Analyst
Phone: (907) 228-5621
Facsimile: (907) 228-5617

TO: Karl R. Amylon, City Manager/KPU General Manager

FROM: Bob Newell, Finance Director

DATE: November 13, 2020

SUBJECT: COVID – 19 Financial Report for the Period Ended October 31, 2020

Attached to this memorandum is the COVID-19 Financial Report for the period ended October 31, 2020. This financial report has been prepared and issued by the Finance Department in order to report on the costs of the City's efforts to respond to and contain the COVID – 19 pandemic in our community. The schedule for releasing these reports is twice a month immediately following the City's semi-monthly payroll. Based on the City's current payroll schedule, the financial reports should be issued on or about the 10th and the 25th of every month.

The reports only include the City's costs of addressing the COVID – 19 pandemic. Costs are defined as actual expenses plus encumbrances arising from open purchase orders issued to vendors for goods and service. As the purchase orders are liquidated, they will be converted into actual expenses. The costs are grouped into two categories: non-reimbursable and reimbursable. Costs included in the **non-reimbursable** category are those costs that, based on current federal and state guidelines, will not be eligible for reimbursement from federal and state disaster funds. Costs included in the **reimbursable** category are considered to be eligible for reimbursement under current guidelines. The actual amount reimbursed will depend on the amount of federal and state disaster funds awarded to our community.

For the reporting period ended October 31, 2020, the City incurred \$341,463 of non-reimbursable costs and \$1,170,601 of reimbursable costs for a total of \$1,512,064. Please note that 100% of the non-reimbursable costs for this reporting period are not additional costs and are being funded from current appropriations. Based on action taken by the City Council on September 3, 2020, this report has been modified to incorporate the reimbursement of eligible costs incurred by the City in its efforts to address the COVID-19 pandemic from CARES Act funds. As of the date of this report, \$557,709 will be reimbursed from CARES Act funds and \$612,892 will be reimbursed from FEMA funds.

Please let me know if you have any questions.

City of Ketchikan
Summary of COVID-19 Costs
For the Period Ended October 31, 2020

	General Government		KPU		FEMA Reimbursable	Total
	Non-Reimbursable	CARES Act Reimbursable	Non-Reimbursable	CARES Act Reimbursable		
Labor						
Administrative Leave and Benefits (1)	\$ 229,396	\$ -	\$ 112,066	\$ -	\$ -	\$ 341,462
Regular and Temporary Wages and Benefits (2)	-	356,753	-	173,756	-	530,510
Supplemental Tempory Wages and Benefits (3)	-	-	-	-	148,949	148,949
Overtime Wages and Benefits (4)	-	-	-	-	48,799	48,799
Total Labor	<u>229,396</u>	<u>356,753</u>	<u>112,066</u>	<u>173,756</u>	<u>197,748</u>	<u>1,069,720</u>
Materials and Services (5)						
Supplies	-	-	-	-	154,048	154,048
Contractual Services	-	-	-	-	261,096	261,096
Operating Equipment	-	27,200	-	-	-	27,200
Total Materials and Services	<u>-</u>	<u>27,200</u>	<u>-</u>	<u>-</u>	<u>415,144</u>	<u>442,344</u>
Total Costs	<u>\$ 229,396</u>	<u>\$ 383,953</u>	<u>\$ 112,066</u>	<u>\$ 173,756</u>	<u>\$ 612,892</u>	<u>\$ 1,512,064</u>

Notes:

- (1) The cost of employees in self-isolation and unable to work remotely. These costs are currently not reimbursable.
- (2) The cost of employees working directly with the Emergency Operations Center or assisting in the efforts to contain or respond to the COVID-19 pandemic in the community. Based on action taken by the City Council on 9/3/20, these costs are now eligible for reimbursement from CARES Act funds.
- (3) The cost of temporary employees hired to work directly in the efforts to contain or respond to the COVID-19 pandemic in the community. These cost are eligible for reimbursement from FEMA because they are considered to be added costs for the City.
- (4) The cost of overtime for employees working direct with the Emergency Operations Center or assisting in the efforts to contain or respond to the COVID-19 pandemic in our community. These cost are eligible for reimbursement from FEMA because are they considered to be added costs for the City.
- (5) All of the costd for materials and service include actual expenditure plus encumbered funds. Encumbered funds are commitments to purchase good and services, which are supported by approved purchase orders that have issued to vendors and contractors.