

**Durham County COVID-19
Personnel Expenditure Highlights as of 9/30/20**

I. Salary Expenses Eligible for FEMA Reimbursements (funds included in base budget)

The below table reflects the funds allocated to offset personnel expenses related to COVID-19. This amount does not include hazardous pay and overtime expenses related to COVID-19. It is important to note, these funds were originally allocated during the annual budget process for work completion (e.g., regular hours for work performed for assigned job responsibilities), therefore dollars are included in the base budget.

Several categories fall into this reimbursement type which total \$39.2 million since March. FEMA allows reimbursement for employees working directly related to COVID (e.g., front line workers, etc.), employees being displaced from regular jobs due to COVID-19 (i.e. Public Safety, Health, DSS), employees that cannot come into the office due to pre-existing health reasons and employees who are not able to perform their work remotely.

CARES Act funding allowed the reimbursement of expenses that were directly related to COVID-19. EMS salaries and benefits were applied to the CARES Act funding totaling \$1,474,536.96. FEMA reimbursement can be requested for the remaining expenses not covered by CARES Act funding. Of the remaining amount, \$37,723,887.89 is eligible for FEMA reimbursement up to 75%. Although base funding was allocated for all of these expenses, COVID-19 displaced staff from original job duties.

Table 1: Salary Expenses Eligible for FEMA Reimbursements*
(Dollars included in base budget)*

Total Salary Expenses for COVID-19 March 15, 2020 – September 30, 2020	Actual Amounts*
Total Salaries & Benefits Eligible for FEMA Reimbursement Non-Exempt & Exempt Employees	\$39,198,424.85
EMS Salaries & Benefits Applied Toward CARES Act Funding	\$ 1,474,536.96
Adjusted Total	\$37,723,887.89
FEMA Reimbursement up to 75%	\$28,292,915.92

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II. Overtime Costs Related to COVID-19 (funds included in base budget)

Table II captures overtime costs related to COVID-19. It's important to note overtime is budgeted in the base budget every fiscal year. However, in the normal course of business (e.g., when not in the State of Emergency), overtime is absorbed by the County (e.g., no reimbursement from emergency funding sources such as FEMA). Funds are included in the base budget and FEMA reimbursement up to 75% can occur. The net county expense will total \$118,971.64 as of September 30, 2020.

Table 2: Overtime Costs Related to COVID-19
*(Dollars included in base budget)**

Overtime Pay March 15, 2020 – September 30, 2020	Actual Amounts
Overtime Expense Coded to COVID-19	\$659,880.20
EMS Overtime Applied Toward CARES Act Funding	\$183,993.63
Adjusted Total	\$475,886.57
FEMA Reimbursement up to 75%	\$356,914.93
County \$'s or other funding source	\$118,971.64

III. Hazardous/Differential Pay 10% Differential (Funds not included in base budget)

Funds to support hazardous/differential pay are not included in the base budget. However, the expense is covered through the planned use of lapsed salaries accumulated from vacant positions and related taxes (e.g., FICA, LGERS, and 401K or 457) in the existing base budget. Positions were frozen in April 2020 to offset potential revenue shortfalls and expenditure costs not budgeted due to COVID-19.

Hazardous pay became effective March 14, 2020, which aligns with the local emergency declaration. The ten percent differential pay must be approved and authorized by an employee's Department Director and General Manager and is only applicable during the hours the individual work aligns with the attached policy. Hazardous pay is a reimbursable expense by FEMA up to 75%. The majority of hazardous pay will impact public safety and human service employees.

Some example job classifications include the County's EMS workers, Detention Officers, Deputies, Nurses, Social Workers, and other administrative staff. The time-limited adjustment applies to employees providing direct emergency services or support services that interface with the public. However, if the employee can perform their duties remotely and they choose

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to come to work, then they do not receive hazardous pay. The breakdown by department will be sent in a subsequent message.

Since March 14, 2020, \$3.1 million in hazardous pay has occurred. Through a combination of CARES funding and FEMA reimbursement, the projected net county expense will total \$757,621.08.

Table 3: Hazardous Pay Summary (10% Differential)
(Dollars not included in base budget. Reimbursement included in CARES funding or through FEMA)

Hazardous Pay March 15, 2020 – September 30, 2020	Actual Amounts
Total 10% COVID Salaries & Taxes	\$3,118,887.41
EMS 10% Hazardous/Differential Applied Toward the CARES Act Funding	\$ 88,403.10
Adjusted Total	\$3,030,484.31
FEMA Reimbursement up to 75%	\$2,272,863.23
County \$'s or other funding source	\$ 757,621.08

Note that \$1.8M was budgeted in the County's CARES Act Revised Plan for personnel costs. This amount includes salaries, benefits, and hazardous/differential pay.