

FEMA REIMBURSEMENT & INTERFUND LOANS

2018 Earthquake & Ongoing COVID Response

The information being presented is as of 9/30/2021. We will discuss the aggregate effect of the interfund loans and reimbursements. We will also break them out by event to give a clearer picture of the timelines that we are experiencing with respect to reimbursements.

Authorized Interfund Loans for Earthquake and COVID Response (000)		
Event	Number	Total
Earthquake	2	\$31,500
COVID	9	\$103,664
Aggregate	11	\$135,164

As you can see from the graph, there have been 11 Interfund loans authorized to address Earthquake and COVID Response.

Earthquake:

The graph below illustrates the ordinances that authorized the Interfund loan, date enacted, the amount of the loan, the total expenditures as of 9/30/2021 and the remaining available amount to draw against the original authorization (encumbered amount). It should be noted that EO 20-6 was specifically set aside for the SWS facility. At this point in time, we fully anticipate the remaining amount of authorized funds for earthquake related projects to be utilized over the next 2-3 years.

Authorized Interfund Loans for Earthquake (000)				
Ordinance	Date Enacted	Amount	Expenditures*	Remaining Authorization
EO 18-1	12/18/2018	\$19,000	\$19,000	\$0
EO 20-6	10/1/2020	\$12,500	\$824	\$11,676
Total		\$31,500	\$19,824	\$11,676

Please note remaining authorization does not mean this is an amount available to use. There is accounting lag (6-8 weeks) between recognizing actual expenditures (vendor invoicing process) and decreasing remaining authorization. As of the date of this report, we had not received any vendor invoices provided for the month of September 2021

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The reimbursements from FEMA for Earthquake expenditures are as follows:

FEMA Reimbursements for Earthquake MOA Only (000)			
Year	Amount	Payments*	Work in Process (Submitted)
2020	\$5,172	27	\$0
2021	\$1,263	14	\$4,000
Total	\$6,435	41	\$4,000

**This is the actual number of payments we received in a specific year. For example, we received 27 payments totaling \$5,172,000 in 2020*.*

There are currently 72 completed projects (out of 106) for a total of \$10,435MM as indicated above (61% of all expenditures). We have only been reimbursed for \$6,435MM (37.5% of all expenditures). There is still \$9,389MM of expenditures that have not been submitted for reimbursement at this time. Unlike COVID, FEMA only reimburses an Earthquake project once it is completed. We still have projects that are in the design and build phases within the MOA. We cannot submit these expenditures for reimbursement. Please keep in mind that FEMA may declare some expenditures as non-reimbursable, but we will not know that amount until they make that determination.

Unlike Earthquake reimbursement where a project must be completed prior to reimbursement, COVID reimbursements are continuous in nature because this is still an ongoing disaster. To state the obvious, this is the first time FEMA has ever been tasked with a “National” disaster versus a single, localized, catastrophic event like Hurricane IDA.

COVID:

This table provides a quick overview of the MOA response to COVID with respect to FEMA as of 9/30/2021.

FEMA Summary for COVID (000)					
Total Interfund Loans Authorized	Total Expenditures	Total Reimbursement	Total Work in Process (Submitted)	Total FEMA Obligations	Potentially at Risk
\$103,664	\$85,014	\$27,424	\$18,778	\$31,816	\$53,198

The graph below provides the details of the ordinances that authorized the Interfund loan, date enacted, the amount of the loan, the total expenditures as of 9/30/2021 and the remaining available amount to draw against the original authorization (encumbered amount).

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Authorized Interfund Loans for COVID (000)				
Ordinance	Date Enacted	Amount	Expenditures	Remaining Authorization *
EO 20-1	3/31/2020	\$3,000	\$3,000	\$0
EO 20-4 (S-1)	5/5/2020	\$10,000	\$10,000	\$0
EO 20-5	7/28/2020	\$19,000	\$19,000	\$0
EO 20-7	10/1/2020	\$5,000	\$5,000	\$0
EO 20-8	11/17/2020	\$5,000	\$5,000	\$0
EO 20-9	12/22/2020	\$36,000	\$30,789	\$5,211
AO 21-51	6/30/2021	\$13,000	\$12,225	\$775
AO 21-75	8/24/2021	\$8,048	\$0	\$8,048
AO 21-82	9/14/2021	\$4,616	\$0	\$4,616
Aggregate		\$103,664	\$85,014	\$18,650

Please note remaining authorization does not mean this is an amount available to use. There is accounting lag (6-8 weeks) between recognizing actual expenditures (vendor invoicing process) and decreasing remaining authorization. As of the date of this report, we had not received any vendor invoices provided for the month of September 2021

The MOA has received the following reimbursements for COVID expenditures from FEMA in the past 18 months.

FEMA Reimbursements for COVID (000)			
Year	Amount	Payments*	Work in Process (Submitted)
2020	\$2,355	1	\$0
2021	\$25,069	5	\$18,778
Total	\$27,424	6	\$18,778

**This is the actual number of payments we received in a specific year. For example, we received 1 payment totaling \$2,355,000 in 2020*.*

As we dive into COVID reimbursement details, we need to recognize that there are 4 distinct projects (Sheltering, Testing, Vaccinations and Employee Screening) that are actively being worked and request for reimbursements are either submitted or being prepared for submission. The key element to the following tables is how much FEMA has obligated (committed) to reimburse us.

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FEMA Reimbursements Submitted for COVID Sheltering (000)				
Year	Amount	Submissions	Reimbursed	Work in Process (Submitted)
2020	\$2,355	1	\$2,355	\$0
2021	\$11,437	7	\$1,545	\$9,892
Total	\$13,792	8	\$3,900	\$9,892

FEMA Obligated / Committed \$4,500M

FEMA Reimbursements Submitted for COVID Testing (000)				
Year	Amount	Submissions	Reimbursed	Work in Process (Submitted)
2020	\$0	0	\$0	\$0
2021	\$28,767	5	\$23,525	\$5,242
Total	\$28,767	5	\$23,525	\$5,242

FEMA Obligated / Committed \$26,357M

FEMA Reimbursements Submitted for COVID Vaccinations (000)				
Year	Amount	Submissions	Reimbursed	Work in Process (Submitted)
2020	\$0	0	\$0	\$0
2021	\$2,684	1	\$0	\$2,684
Total	\$2,684	1	\$0	\$2,684

FEMA has not obligated nor committed any funds to this project

FEMA Reimbursements Submitted for COVID Employee Screening AWWU & SWS (000)				
Year	Amount	Submissions	Reimbursed	Work in Process (Submitted)
2020	\$0	0	\$0	\$0
2021	\$959	0	\$0	\$959
Total	\$959	0	\$0	\$959

FEMA Obligated / Committed \$959,000