



Board Agenda Item 7

DATE: September 21, 2021

TO: Board of Supervisors

SUBMITTED BY: Hollis Magill, Director of Human Resources

SUBJECT: Deferred Compensation Incentive for COVID-19 Vaccination

RECOMMENDED ACTION(S):

Approve a one-time \$500 contribution to the County of Fresno 457(b) Deferred Compensation Plan account of permanent active employees who demonstrate proof that they are fully vaccinated against the COVID-19 virus on or before November 16, 2021.

There is no Net County Cost associated with this item. The goal of the recommended action is to incentivize County employees to become fully vaccinated against the COVID-19 virus. American Rescue Plan Act of 2021 (hereafter, "ARPA") funds will be used to reimburse the County for its contributions to the County of Fresno 457(b) Deferred Compensation Plan (hereafter, "Deferred Compensation Plan").

For the purposes of the recommended action, fully vaccinated means that the employee must have received the full course of a vaccine by the described date; it does not mean that an employee only receives one (1) dose of a vaccine whose full course of treatment requires two (2) doses. As this is an employer contribution to a supplemental retirement account, approval of the recommended action will not increase employees' pensionable earnings. This item is Countywide.

ALTERNATIVE ACTION(S):

Your Board may choose not to offer County employees an incentive to become fully vaccinated. However, this may lead to fewer employees becoming fully vaccinated, which would negatively impact continuing County operations.

FISCAL IMPACT:

There is no Net County Cost associated with the recommended action. The full cost of the incentive payment, assuming that all permanent active employees provide proof of full vaccination on or before November 16, 2021, is anticipated to be approximately \$3,750,000. Costs will be paid for through each departments' FY 2021-22 budgets and should be reimbursable via ARPA funding as a qualifying expense. The ARPA was signed into law on March 11, 2021 by President Biden and provides \$350 billion for state, local, territorial, and tribal governments to respond to the COVID-19 emergency.

DISCUSSION:

The COVID-19 pandemic has continuously impacted the County and the local community since early 2020. In addition to short- and long-term health consequences of COVID-19, the County continues to face disruptions in County operations and incur testing costs associated with California Department of Public Health Officer Orders. As cases of COVID-19 have been increasing since July 2021, your Board has tasked

staff to find solutions to this potential health and operational crisis.

Approval of the recommended action will provide any permanent active County employee who provides proof of full vaccination on or before November 16, 2021 a one-time contribution of \$500 to their Deferred Compensation Plan account, on or after the January 7, 2022 pay date. As this is an employer contribution to a supplemental retirement account, approval of the recommended action will not increase employees' pensionable earnings.

In order to receive the incentive, employees must provide their completed County Proof of Vaccination Certification form with proof of vaccination documentation to their respective departments on or before November 16, 2021. Departments will verify that the form is completed correctly and that all necessary documentation is received.

REFERENCE MATERIAL:

BAI #36.1, May 25, 2021

CAO ANALYST:

Yussel Zalapa