

Accomplishment: Continued progress in establishing a City Health Department by coordinating efforts with the California Department of Public Health and initiated a Health Assessment Survey for the community.

City of West Covina: Administration Dept.  
Fiscal Year 2024-25 Adopted Budget, Page 68

### **Proposed West Covina Health Department: A Waste of Taxpayer Funds**

In 2021, the City Council directed staff to establish a West Covina Health Department.<sup>1</sup> Although the original intent was to establish a health department, in actual fact, after three years no department exists despite the city spending upwards of \$1.5 million for consultants doing things such as “planning”, staffing health fairs, updating emergency management plans<sup>2</sup> and paying a full-time “public health assistant” for “general office.” By any measure, this spent money is a waste of taxpayer funds. This paper reviews financial information that is available to residents via the city website or through a Public Records Request (PRR).

**Process:** The City of West Covina did not conduct a fiscal analysis to identify projected costs before starting this project. The City entered into Personal Services Agreements (contracts) for consulting services to explore options and implement the health department. The City is currently waiting on state preliminary approval for the West Covina Health Department.

**Budget:** A review of adopted budgets indicates the proposed health department is budgeted under Capital Improvement Program<sup>3</sup> and charged to the City’s American Rescue Plan Act (ARPA) funding described as “PSA for Health Department Services”. Estimated project totals are show shown below:<sup>4</sup>

<u>Fiscal Year</u>	<u>Estimate</u>
2021-22	\$ 98,190
2022-23	\$598,190
2023-24	\$603,976
2024-25	\$368,224

**NOTE**

“Contracts” and “Invoices” posted on the city webpage “West Covina Health” appear incomplete. The following sections will be updated as the city provides information.

#### ***Contracts:***

- Valley Physicians Medical Group, Inc.  
Scope of Service  
Effective Dates: 12/16/20 – 12/31/21
- Transtech Engineers, Inc.  
Scope of Service  
Effective Dates: 05/4/21 – 06/30/22

#### ***Deliverables and Labor Costs:***

- Transtech 2021
- Transtech 2022
- Transtech 2023 (2 pages)
- Transtech 2024

#### EXCERPT CITY COUNCIL GOALS

##### **Protect Public Safety**

- With due regard to General Fund fiscal impacts, respond to California Department of Public Health (CDPH) proposed regulations. Seek provisional approval from CDPH for creation of a fiscally sustainable municipal health department. Prepare a Community Health Needs Assessment, Community Health Improvement Plan and other studies as may be required by CDPH and the Public Health Accreditation Board. Negotiate and execute agreement(s) for Health Department laboratory services.
- Update the City's Emergency Management Program, including Community Emergency Response Team, Emergency Operations Center Training, Citywide CERT Training including “train the trainer” and Disaster Preparedness and Hazard Mitigation plans.

City of West Covina: City Council Goal  
Fiscal Year 2024-25 Adopted Budget, Page 38

## Our Concern

Current West Covina City Council members supporting the West Covina Health Department—Rosario Diaz, Letty Lopez-Viado, Tony Wu—and former councilmember Dario Castellanos say the West Covina Health Department will be funded from fees and grants and will **not** impact the General Fund budget. Two cities, Long Beach and Pasadena, have operated health departments for over 100 years. Both cities have serious financial challenges ensuring legal requirements are met. ***It is unrealistic for West Covina councilmembers to think West Covina can do what those cities can't do.***

The City did not do a financial analysis projecting the costs of operating a health department and now says it is in a “holding pattern” until CDPH provides direction.<sup>5</sup> Simultaneously, the city pays sub-consultants to hold “West Covina Health Fairs”. ***This approach is disingenuous and costly to taxpayers.***

The City is using ARPA funds budgeted as “PSA for Health Dept. Services” to update the city’s emergency management program<sup>2</sup> and to hold “West Covina Health” fairs at various community and school district events. A health department is not required for such projects. The City saves money by contracting directly with consultants instead of paying administrative overhead fees for sub-consultants as is now occurring. ***The process should not have changed. The current approach is not fiscally responsible for taxpayers.***

## Changes We Would Like to See

We would like to see a financial analysis showing how much the proposed West Covina Health Department is estimated to cost and how it will be revenue neutral. If it cannot be demonstrated that the health department will be revenue neutral, the implementation of the health department must stop.

## Additional Information

Bermont, B. (2021, March 26). [Pasadena officials want more funding for the health department, but not from the city](#). *San Gabriel Valley Tribune*.

Hutchings, K. (2024, August 22). [Long Beach may layoff up to 73 Health Department workers amid budget crisis](#). *Press-Telegram*.

U.S. Department of Treasury. State and Local Recovery Funds. <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

West Covina Neighbors. West Covina Health Department: City Council Proposal and Actions. [www.WestCovinaNeighbors.org](http://www.WestCovinaNeighbors.org)

## Notes

- 1 City of West Covina. West Covina Health. <https://www.westcovina.org/departments/west-covina-health-department>
- 2 Emergency response plans are normally updated by police and fire personnel with considerably less paid consultant time.
- 3 Capital Improvement Program: A financial plan of proposed capital improvement projects and the means of financing them for a given period of time. City of West Covina. Glossary of Terms (in each fiscal year budget).
- 4 City of West Covina. Annual Budget. <https://www.westcovina.org/departments/finance/budget-finance-reports/annual-budget>
- 5 City of West Covina. Proposed Budget: FY 2024-25. City Council Presentation, May 7, 2024 and Community Budget Presentation, May 8, 2024, <https://www.westcovina.org/departments/finance/budget-finance-reports/annual-budget>

## EXCERPT FISCAL CHALLENGES – LONG TERM

### Health Department

One of the City’s long-term goals is to seek provisional approval from the California Department of Public Health (CDPH) for the creation of a fiscally sustainable municipal health department. This must be done with due regard to General Fund fiscal impacts. Once CDPH provides direction regarding the regulations and services the city may assume, a Community Health Needs Assessment, Community Health Improvement Plan and other studies as may be required by CDPH and the Public Health Accreditation Board. Until direction is provided by CDPH, the City is in a holding pattern. Therefore, other than the CIP project which includes the professional services agreements for these planning activities, the FY 2024-25 budget does not include revenue and expenditures for a health department.

City of West Covina  
Fiscal Year 2024-25 Adopted Budget, Page 13