## Julie Enea

**From:**
**Sent:** Wednesday, May 6, 2020 6:11 PM
**To:** Julie Enea
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Chair Andersen and Vice Chair Mitchoff:

I am writing to support the immediate opening of our businesses in Contra Costa County. The costs of keeping these businesses closed outweighs the public health benefits.

This recommendation to open is based on my banking and credit risk analyst experience in working for a large global company. Prior to this pandemic, record debt levels were held by all companies, governments, and individuals. During the past few months, the statistical risk of default have skyrocketed for companies, which will likely lead to many bankruptcies and significant employee layoffs. My primary concern is with small businesses as they usually have low liquidity (cash deposits), and also as they do not have the same access to credit and capital as large public companies that are listed on the stock exchanges.

Regarding statistics and models, my observation is they are good in ranking the order of risk (for example, between companies), but they generally fail to precisely forecast values. One question you should ask yourselves, should health officials be making broad economic decisions as they do not understand financial default statistics and the impact to our economy? Should health officials be limited to safety issues, such as masks and distancing, which they are trained for and not be allowed to lockdown businesses not deemed essential?

Why do the costs outweigh the benefit of the current economic lockdown? Key concerns are the lack of health insurance for the millions of newly unemployed workers, medical treatments being delayed, and budgetary constraints that will eventually impact public health services. Also the financial devastation to people lives cannot be cured with an unemployment check. Is the lockdown the start of perpetual deleveraging in both the government and private sectors? Has anyone in government read the Michael Lewis books, such as the “Big Short” or “Boomerang” that deals with financial calamities?

The lookback of this pandemic and its handling will generate significant debate by the public. Not being ready for this pandemic should be agreed upon by all Americans – that is, the lack of proper supplies and equipment and the public/business “readiness” mindset. My personal belief is the chief failure is by government officials for not having a more targeted pandemic response, which unfortunately led to a significant portion of the economy being shut down. This demonstrates the complete lack of understanding on how the economy works and the integration of financial wellness with personal health.

Jim Killoran