



Legislation Text

File #: 20-1344, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

Adopt the resolution authorizing an intergovernmental agreement between the City of Naperville and the Naperville Fire Protection District for participation in the Will County and DuPage County local government COVID-19 reimbursement program

DEPARTMENT: Finance Department

SUBMITTED BY: Rachel Mayer, Finance Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

During the early stages of the COVID-19 pandemic, it became clear that individuals, families, businesses, and governments would all face significant economic challenges resulting from the unprecedented efforts taken to mitigate the spread of the virus. The federal government took several measures to help, including the \$2 trillion economic relief package known as the Coronavirus Aid, Relief, and Economic Security (CARES Act). One of the many components of the CARES Act is the creation of the \$150 billion Coronavirus Relief Fund. Those dollars were disbursed to state, county, and local governments with populations over 500,000 to cover expenses that were 1) incurred due to the COVID-19 public health emergency, 2) were not accounted for in the budget most recently approved by the unit of government, and 3) were incurred between the dates of March 1, 2020, and December 30, 2020.

The City of Naperville did not qualify for direct assistance through this program due to the population requirements; however, DuPage County and Will County both received direct allocations through the program. Each county set aside dollars to be shared with local governments and established a per capita funding model by which the funds were allocated. Through the respective programs, the City applied for and received approval for reimbursement of eligible expenses totaling \$7.02 million between the two counties.

DuPage County allocated approximately \$43 million and Will County allocated approximately \$33 million to municipalities and special districts within the two counties.

The City has received payment for reimbursable expenses in the full amount allocated by both counties, which totals \$7.02 million. Will County also allocated \$157,182 to the Naperville Fire Protection District (NFPD) and advised those funds may be passed through to the City of Naperville, who acts as the service provider to NFPD. This action allows the City to seek reimbursement of COVID-19 related expenses under the terms and conditions outlined in the intergovernmental agreement (IGA).

DISCUSSION:

Under an existing agreement, the Naperville Fire Department provides fire and ambulance service to residents of unincorporated areas of Will County that are within the boundary of NFPD. Under that agreement, NFPD collects property taxes and remits those dollars (after expenses and fees) to the City for payment for services. After an explanation of this arrangement, Will County officials directed the City to work with NFPD to claim the allocated dollars as the City's approved expenses far exceeded the City's own per capita allocation.

Staff worked with NFPD and drafted the attached intergovernmental agreement (IGA) which allows the NFPD to apply for reimbursement of City expenses related to the provision of fire and ambulance services and then pass those dollars through to the City. The agreement indemnifies NFPD against future claims that would require repayment of any funds received that may be found to be ineligible expenses.

Because NFPD spans both Will and DuPage County, the agreement is written to allow the City to receive pass-through funds from both counties. DuPage County has not allocated any funds to NFPD; however, if funds were allocated in the future, the agreement would allow NFPD to apply for those funds on behalf of the City.

The NFPD Board approved this IGA at their regular meeting on November 5, 2020, and an application for reimbursement will be submitted to Will County for Fire Department payroll expenses in conformance to U.S. Treasury guidelines. Execution of this agreement by the City will allow for receipt of those funds.

FISCAL IMPACT:

This agreement will allow Naperville to receive funds that will reimburse the City for eligible expenses incurred in response to the COVID-19 public health emergency in the amount of \$157,182, plus any additional funds made available to NFPD in the future.