



Legislation Text

File #: 20-853, Version: 1

CITY COUNCIL AGENDA ITEM

ACTION REQUESTED:

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

DEPARTMENT: Finance Department

SUBMITTED BY: Rachel Mayer, Finance Director

BOARD/COMMISSION REVIEW:

N/A

BACKGROUND:

On March 27, 2020, the United States Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The Act established the \$150 billion Coronavirus Relief Fund providing financial assistance to states, counties, and units of local government with populations exceeding 500,000. DuPage County received approximately \$161 million and has agreed to reallocate approximately \$43 million to municipalities. 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:

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 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 received an allocation of approximately \$161 million. Collaborative discussions between DuPage County and the DuPage Mayors and Managers Conference (DMMC), representing municipalities throughout the county, led to the establishment of the DuPage County Local Government COVID-19 Reimbursement Program. This program will reallocate approximately \$43 million from the County to municipalities through an IGA. The agreement stipulates that each municipality within the county will receive a \$51.84 per capita share of

funds based on the municipality's population within the county. The City of Naperville's official population is 147,449, as determined by the 2018 special census, with 96,667 people residing within DuPage County. Based on the per capita formula, the City is eligible to receive \$5,011,217.

Under the agreement, the City must submit requests for reimbursement of eligible expenses to the County. To be eligible for reimbursement, expenses must fall within the guidelines established by the U.S. Department of Treasury. Upon submission of the City's request for reimbursement, the County will review and approve expenses that it deems permissible under the Act. The IGA notes that the submission of a request does not guarantee reimbursement, with the approval authority lying solely with the County.

The City will submit for reimbursement of expenses in conformance to U.S. Treasury guidelines, including public safety and other payroll, purchased services, and purchased equipment costs that were incurred either in direct response to or mitigation of the public health emergency. Staff is confident that the City will incur reimbursable expenses up to the full amount allocated before year-end.

FISCAL IMPACT:

This agreement will allow Naperville to receive funds that will reimburse the City for eligible expenses up to \$5,011,217. The IGA establishes a framework to receive reimbursements and does not obligate the City to do anything beyond ensuring that requests are permissible under the Act.