

MEMORANDUM

TO: The Honorable Mayor and City Council
FROM: Michael G. Dzugan, City Manager
DATE: September 25, 2020
SUBJECT: **1st and 2nd CARES Act Submission – DuPage County**

Objective

Present for City Council consideration, the City's 1st and 2nd reimbursement submissions to DuPage County for CARES Act funding.

Background

In August, the City Council approved a Resolution authorizing execution of an Intergovernmental Agreement (IGA) with DuPage County for reimbursement under the CARES Act of coronavirus emergency expenses up to a maximum allocation of \$2.7MM incurred between the period of March 1 through December 30, 2020.

CARES Act - In March 2020, U.S. lawmakers agreed on the passage of a \$2 trillion stimulus bill called the CARES (Coronavirus Aid, Relief, and Economic Security) Act to blunt the impact of the economic downturn created by the coronavirus pandemic. The legislation offered historic government funding. The State of Illinois received \$3.5 billion in CARES Act funding. The Act also allocated funding directly to 5 counties in Illinois and the City of Chicago for local use. DuPage County received \$161MM.

DuPage County agreed to use the same formula as the State's \$51.84 per capita to allocate a portion of the CARES Act funding to DuPage municipalities in accordance with an IGA with each municipality. The County allocated \$47.5MM to municipalities based upon population; for the City of Wheaton that equals \$2.7MM.

Intergovernmental Agreement

The IGA defines expenses as tangible goods, services, payroll costs where time was substantially dedicated to the public health emergency, and expenses for economic development programs to support local businesses that may have been negatively impacted. The IGA goes into some detail regarding municipal personnel expenses. Section 5 provides that a municipal employee's time "substantially dedicated" (60% or greater) to the public health emergency may be considered as 100% of that employee's time for reimbursement. If a municipal employee spent a portion of time (less than 60%) on the emergency, then that employee's time may be reimbursed at the percentage time spent.

The IGA specifically references the U.S. Department of Treasury guidelines as being used as a basis for reimbursement decisions. Ultimately it will be up to the County evaluating the requested



WHEATON MAYOR PHILIP J. SUESS

CITY MANAGER MICHAEL DZUGAN

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reimbursement whether such meets the criteria under the IGA and U.S. Department of Treasury guidelines.

DuPage CARES Act Reimbursement

The City's allocation of \$2.7MM is for those expenses incurred between March 1 through December 30, 2020. In my July 30 memorandum to the City Council regarding CARES Act reimbursement, the staff identified expenses to date at \$435,740 that were believed to meet the Department of Treasury guidelines. The \$435,740 did NOT include personnel costs that were diverted to the pandemic.

Provided below is a summary of the actual and estimated expenses that the staff believes meet the reimbursement requirements of the IGA and Department of Treasury guidelines. Submissions 1 and 2 are actual documented expenses that are being proposed to be submitted to the County for their consideration. Submission 1 is due September 30 and submission 2 is due by October 30. Submissions 3, 4, 5 and 6 are primarily estimates.

Submission 1 alone brings us within \$169,000 of the City's maximum allocation of \$2.7MM.

Category	PROJECTED						Grand Total
	#1 Submission (Mar-June)	#2 Submission (Jul-Aug)	#3 Submission (Sept)	#4 Submission (Oct)	#5 Submission (Nov)	#6 Submission (Dec)	
Payroll	\$2,324,973.13	\$ 601,531.29	\$ 203,655.48	\$ 104,242.46	\$ 53,357.22	\$ 27,311.26	\$ 3,315,070.85
Personal Protective Equipment	32,822.83	28,926.86	5,000.00	5,000.00	5,000.00	5,000.00	81,749.69
Small Business Assistance							
Downtown Tents, Heaters	17,110.95	71,685.26	138,992.13	124,388.60	-	-	352,176.94
Liquor Licenses Partial Refunds	15,875.00	-	-	-	-	-	15,875.00
Waive Wireless Fire Alarm Monitoring Fee	155,040.00	-	-	-	-	-	155,040.00
Waive Rent for Train Station Vendors	6,408.48	4,272.32	2,136.16	2,136.16	2,136.16	2,136.16	19,225.44
Waive Fee for Wheaton Public Library Concession Vendor	500.00	1,000.00	500.00	500.00	500.00	500.00	3,500.00
Admin Expenses	4,841.25	627.10	-	-	-	-	5,468.35
Improve Telework Capabilities of Public Employees	7,305.37	-	-	-	-	-	7,305.37
Library Interior Construction Modifications	-	-	-	-	380,000.00	-	380,000.00
Total	\$2,564,877.01	\$ 708,042.83	\$ 350,283.77	\$ 236,267.22	\$ 440,993.38	\$ 34,947.42	\$ 4,335,411.64

Recommendation

Staff recommends Submissions 1 and 2 be sent to the County for review and approval. The staff believes the submissions are in full compliance with the IGA and Department of Treasury guidelines. Our goal is to make every effort to receive as early as possible the full \$2.7MM allocation.