FAQs

This document contains questions and answers to frequently asked questions submitted by Cook County municipalities. The County will be updating this document regularly as additional questions are submitted via the FAQ submission form.

Public Health and Negative Economic Impacts	
In 2020, we incurred COVID related expenditures, of which a portion was reimbursed by FEMA. Can we submit the remainder for reimbursement?	The use of SLFRF is forward looking and permits funds to be used to cover costs incurred beginning on March 3, 2021 and onward only.
Premium Pay	
Is the premium pay cap per calendar year or per the length of the grant?	There is a per hour cap of $13/hour in addition to wages the worker receives, as well as a $25,000 per worker cap. The cap is for the whole covered period. If premium pay increases a worker's total pay above 150% of the County's average annual wage ($60,340), the recipient needs to provide a written justification of how the premium pay is responsive to workers performing essential worker during the public health emergency.
Revenue Loss	
Are water utility revenues included in the general revenue calculation?	No, water utility revenues would not be included and should be excluded from the recipient's general revenue calculation. This is because revenue generated from utilities is typically used to support the utility's operation, rather than a source of revenue to support general government services.
When referring to revenue "collected" is this receipt on a cash basis or the modified accrual basis which would include amounts receivable?	Treasury does not require use of a certain accounting methodology but requires consistent application of the methodology (cash vs. modified accrual) for the entirety of the reporting period. Please refer to Treasury FAQ 3.12 for more information.
Any guidance on restricted fund revenues such as TIF, MFT, etc?	Motor Fuel Tax revenues are eligible per the most recent guidance from the U.S. Treasury. From our understanding of TIFs, these are revenues generated from the underlying economy. Therefore, we believe these are eligible revenues regardless of their restricted use.

What is the definition of entity-wide revenues?	Recipients should calculate revenue on an entity-wide basis instead of by a source-by-source basis. This means that recipients should aggregate all their revenue streams covered as general revenues and report that, instead of providing data by each individual revenue source. This is to minimizes the administrative burden for recipients, provides for greater consistency across recipients, and presents a more accurate representation of the net impact of the COVID- 19 public health emergency on a recipient's revenue, rather than relying on financial reporting prepared by each recipient, which vary in methodology used.
Are unrealized losses, gain on investments eligible, or mark-to-market adjustments eligible revenue?	Further guidance from Treasury is needed, however, interest earnings are eligible revenue sources.
Is Rebuild Illinois Money received in 2020 considered in the calculation? Rebuild Illinois is a Bond that Illinois issued with proceeds sent to the City.	Yes, this is likely an eligible revenue since it is an intergovernmental transfer from the State.
Are Foreign Fire Insurance revenues included? These are usually special revenue funds, but administered by employees and NOT the elected municipal officials (a separate legal authority established by State Statute)	Yes, this is likely an eligible revenue. Per State Statute 100% of the foreign fire insurance goes toward public safety services "50% of the foreign fire insurance proceeds received by the board shall be used for the maintenance, use, benefit, or enhancement of fire stations or training facilities used by the active members of the fire department; 25% of the foreign fire insurance proceeds received by the board shall be used for the maintenance, use, benefit, or enhancement of emergency response vehicles, tools, and equipment used by the active members of the department; and 25% of the foreign fire insurance proceeds received by the board shall be used for the maintenance and enhancement of the department and for the use and benefit of the active members of the department"
Would property taxes specifically for police and fire pension be eligible to be included in calculations?	Based on current U.S. Treasury guidance, the property taxes themselves can be included as an eligible general revenue from own sources and included in determining base year revenue and actual revenue. However, Treasury requires this revenue be attributed to government services, not administrative funds or employee retirement funds such as pensions.
What does the *n* represent in the	It represents the number of months elapsed from the end of your fiscal end base year to the calculation date, calendar year end,

revenue loss calculation?	that Treasury designated to standardize the methodology. For example, if your entity fiscal year end is April 30, 2019, and you are calculating revenue loss in 2020, the Treasury set calculation date is Dec 31, 2020. The *n* in this example would be 20. If you are calculating revenue loss in 2021, the set calculation date is Dec 31, 2021 and your *n* would now be 32.
Some revenues that the Treasury deems eligible for this calculation as "General Revenues" were not impacted by COVID for us. For example, property taxes, sewer revenues, etc. Must we include these revenues that weren't affected in our calculations, or can we opt to only use ones that were negatively impacted and included within their definition of general revenues?	We encourage municipalities to look at all their eligible general revenue from own sources, calculate a counterfactual, and compare actual revenue to counterfactual to get an idea of what can be claimed for revenue replacement. Pending further guidance from U.S. Treasury, our current interpretation says a recipient may look at only certain eligible general revenue from own source, but there is uncertainty and potential risk in this approach. Based on existing guidance, if only including a single tax revenue source for calculating base revenue, then only those tax revenues could be included in the 3-yr historical analysis and in actual revenues reported from 2020 to 2023, which could significantly reduce the amount of eligible funds and limit claiming revenue loss in the future.
Would loss monies (property taxes) for debt services levies be included as lost revenues since those monies would have to be made up by the General Fund so that the municipality doesn't default?	Based on current U.S. Treasury guidance, taxes levied can be included as an eligible general revenue from own sources and included in determining base year revenue and actual revenue. However, Treasury requires this revenue be attributed to government services, not administrative funds or employee retirement funds such as pensions.
Is growth adjustment calculated per line item or based on total general revenue? For example, are we taking total general revenue growth and then applying that to specific lines that decreased or does each line item have to be calculated for its loss adjustment factor separately?	It is possible take a source-by-source approach, but it is more involved than taking an entity-wide approach. Depending on individual budget planning needs and recovery scenarios, it may be a worthwhile exercise. Webinars have been presenting only the entity-wide approach: summing all general revenues to determine the 3-yr historical growth adjustment, base revenue, and actual revenue. Treasury has made it clear it is critical to use a consistent approach throughout the reporting period, including in determining which revenues to sum for the base revenue calculation. For example, if considering calculating base revenue on a source-by-source basis with three taxes, such as property tax, hotel tax, and foreign fire tax, then those three taxes are the only taxes that can be included in determining a 3-yr historical growth rate and the subsequent actual revenue reported from 2020 to 2023.

If we have enough revenue loss in year 1 to spend the full amount of funds on governmental services, but then have revenue gains in year 2 and 3, will we have to pay money back?	No, you likely would not need to pay that back in year 2 or 3. However, you would not be eligible to claim revenue loss in 2022 or 2023 as actual revenue would exceed the calculated counterfactual. The IFR states the following: "If actual revenue exceeds counterfactual revenue, the extent of the reduction in revenue is set to zero for that calculation date" (where the calculation date is December 31)
Should sales tax rebates that are typically shown as a reduction to sales tax revenue be included when determining the change in revenue from year to year?	Yes, this is likely an eligible revenue as sales tax is generated from the underlying economy. Proceeds from correcting transactions are not eligible general revenue.
Water, Sewer, and Broadband Infrastructure	
Would funding green alleys and rain gardens that assist with addressing storm water be an eligible use?	Yes, those would likely be eligible projects as the Treasury encourages green infrastructure investments. Green infrastructure projects that support stormwater system resiliency could include rain gardens that provide water storage and filtration benefits, and green streets, where vegetation, soil, and engineered systems are combined to direct and filter rainwater from impervious surfaces.
In regard to broadband investments, can it be used for fiber optic installations in public buildings?	For the project to be eligible under Broadband Infrastructure, broadband projects must be designed to serve unserved or underserved households and businesses. This is defined as those that are not currently served by a wireline connection that reliably delivers at least 25 Mbps download speed and 3 Mbps of upload speed. For example, public buildings could be eligible if low-income individuals can access the Wi-Fi (ex: library). Alternatively, if the recipient is claiming a Revenue Loss, this project could be considered as part of Government services. The Interim Final Rule gives recipients broad latitude to use funds for the provision of government services to the extent of reduction in revenue. Government services can include, but are not limited to, maintenance of infrastructure or pay-go spending for building new infrastructure, including roads; modernization of cybersecurity, including hardware, software, and protection of critical infrastructure; health services; environmental remediation; school or educational services; and the provision of police, fire, and other public safety services.
Will there be an agency available to approve expenditure requests for	There is not. The Treasury advises that the recipient review the Interim Final Rule to assess whether the project meets the eligibility criteria in the IFR. Once an eligibility determination is

water/broadband infrastructure replacements prior to construction work incurred?	made, the Recipient may pursue the project as a FRF project without pre-approval from Treasury.
Interim Report	
If we received the first tranche but have no obligations or expenses by 7/31, do we need to complete the interim report?	Yes- if you are a Metro City with less than 250,000 residents and receiving more than $5m in FRF funds, you will need to complete an interim report even if you have no obligations or expenses. Each of the Expenditure Categories will just be blank in those sections. If you plan to utilize the Revenue Replacement category, you will need to provide the following programmatic data in the Interim Report: 1. Base year general revenue (e.g., revenue in the last full fiscal year prior to the public health emergency) 2. Fiscal year end date 3. Growth adjustment used (either 4.1 percent or average annual general revenue growth over 3 years prior to pandemic) 4. Actual general revenue as of the twelve months ended December 31, 2020 5. Estimated revenue loss due to the Covid-19 public health emergency as of December 31, 2020 6. An explanation of how revenue replacement funds were allocated to government services
We are an NEU – do we need to submit an Interim Report?	No. Only states, metro cities, and counties are required to submit an Interim Report
Project and Expenditure Report	
Where is the list of the 66 subcategories?	The list of subcategories are listed on pg. 31 here: https://home.treasury.gov/system/files/136/SLFRF-Compliance-and-Reporting-Guidance.pdf
Other	
Will there be future allocations for Townships and special districts?	Unlike the CARES Act, the Treasury has allocated FRF funds to Non-Entitlement Units of Government (NEU), which will come directly from the State of Illinois. NEUs include cities, villages, towns, townships, or other types of local governments. The County will be allocating some of their FRF funds to provide ARPA Technical Assistance to metro cities and NEUs.
If a municipality received funding from other relief funding,	For the SLFRF, metro cities are required to request money directly from the U.S. Treasury. NEUs (non-entitlement units) need to request funds from the State of Illinois. Directions to do so are available here:

are we still eligible to apply for this grant?	https://www2.illinois.gov/dceo/CURENEU/Pages/ProcessToRequestFunds.aspx