

**TOWN OF COTTAGE CITY  
RESOLUTION – 2022-13**

**A RESOLUTION to provide premium pay to eligible municipal workers performing essential work during the pandemic using Coronavirus State and Local Fiscal Recovery Funds for personnel of the Town of Cottage City.**

**WHEREAS**, the global pandemic Coronavirus (‘COVID-19’) continues to pose a risk to the health, safety and welfare of Cottage City residents and employees; and

**WHEREAS**, emergency declarations were previously issued by the Federal, State and County level and certain regulations and guidelines remain in effect; and

**WHEREAS**, under the United States Department of Treasury’s Coronavirus Aid, Relief, and Economic Security (CARES) Act, Prince George’s County, Maryland, received a direct allocation from the Coronavirus Relief Fund (CRF) to cover necessary expenditures directly related to the Coronavirus Disease 2019 (COVID-19), and from that distribution the County allocated \$83,000 to the Town in FY’s 2020-21; and

**WHEREAS**, on November 11, 2020, the Cottage City Commission enacted Ordinance No. 2020 – 04 establishing a special fund known as the COVID-19 Emergency Relief Fund to reduce the impact of economic hardships arising from the pandemic caused by the Coronavirus in the Town of Cottage City; and

**WHEREAS**, under the funding administered by the State of Maryland pursuant to the American Rescue Plan Act (the ARP Act), there is a Coronavirus State and Local Fiscal Recovery Funds (CLFRF) program, where every level of government could receive additional funding, regardless of size; and

**WHEREAS**, pursuant to Section 603(c) of the Act, fiscal recovery funds may be used to enable local governments to respond to the COVID-19 public health emergency, provide premium pay to essential workers, supplement revenue reductions incurred during the pandemic, and to make necessary investments in water, sewer, and broadband infrastructure; and

**WHEREAS**, on December 8, 2021, the Cottage City Commission approved Emergency Ordinance 2021-01 to amend the FY ’22 Budget to accommodate funding received from the State of Maryland pursuant to the Federal American Rescue Plan Act of 2021 - Coronavirus Local Fiscal Recovery Funds (ARP Act Funds); and

**WHEREAS**, Cottage City has received more than \$1.1 million in federal ARPA funding which must be obligated by December 31, 2024 and said funds must be expended by December 31, 2026; and

**WHEREAS**, the Town of Cottage City received the first tranche of funds in July 2021 and the second installment of the Town’s disbursement in August 2022, and had made plans for the use of the ARPA funds as part of the Town’s planning and development process; and

**WHEREAS**, the Cottage City Commission approved Emergency Ordinance 2022-03 on June 8, 2022, to amend the FY22 budget to reflect sums earmarked as the “ARPA Fund Grant” and to provide for an ARPA Grant expense and donation; and

**WHEREAS**, the SLFRF program provides governments across the country with the resources needed to: 1.) Fight the pandemic and support families and businesses struggling with its public health and economic impacts, 2.) Maintain vital public services, even amid declines in revenue resulting from the crisis, and 3.) Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity; and

**WHEREAS**, funding from the Coronavirus SLFRF is subject to the requirements specified in the Final Rule released by the U.S. Department of the Treasury on January 6, 2022 and said department released an “Overview of the Final Rule,” which provides a summary of major rule provisions to assist recipients and stakeholders; and

**WHEREAS**, the Final Rule takes effect on April 1, 2022, though recipients (i.e., cities and towns) can choose to take advantage of its flexibilities and simplifications now by consulting the Statement Regarding Compliance with the Coronavirus State and Local Fiscal Recovery Funds Interim Final Rule and Final Rule for more information on compliance with the Interim Final Rule and the Final Rule; and

**WHEREAS**, funding from the Coronavirus SLFRF may be used to provide premium pay that “responds to” certain “eligible workers” performing “essential work” during the pandemic and said pay may be awarded to eligible workers up to \$13 per hour and said pay must be in addition to wages or remuneration (i.e., compensation) the eligible worker otherwise receives, and premium pay may not exceed \$25,000 for any single worker during the program; and

**WHEREAS**, under the Final Rule, which supersedes State and local law, “eligible workers” include state, local or local government workers, and “essential work” means work that is not performed while teleworking from a residence and involves either in-person interactions or physical handling of items that were handled by the public or coworkers, and “responds to” means that the worker falls into one of three categories that follows: (i) the eligible worker’s pay (with or without the premium) is at or below 150 percent of their residing state’s or county’s average annual wage for all occupations, whichever is higher, on an annual basis; (ii) the eligible worker receiving premium pay is not exempt from FLSA; or (iii) the eligible worker does not meet the above requirements but the recipient entity submits a written justification; and

**WHEREAS**, further under the Final Rule, premium pay may be awarded in installments or lump sums (e.g., monthly, quarterly, etc.) and may be awarded to hourly, part-time or salaried or non-hourly workers, and premium pay must be paid in addition to wages already received and may be paid retrospectively and a recipient jurisdiction may not use SLFRF to merely reimburse itself for premium pay or hazard pay already received by the worker and premium pay may not be paid to volunteers; and

**WHEREAS**, the Cottage City Commission finds that the annual mean wage for the State of Maryland as determined by the Bureau of Labor Statistics is \$30.58 hourly or \$63,610 annually, and that 150 percent of that wage is \$45.87 hourly or \$95,415 annually.

**NOW, THEREFORE, BE IT RESOLVED** by the Cottage City Commission of the Town of Cottage City, Maryland, hereby resolves and orders the payment of SLFRF Premium Pay, as described herein, to all of its employees according to the following stipulations to commence at the next pay period following the passage of this Resolution:

- (i) \$2,000 - Police and Public Works employees,
- (ii) \$1,500 - All other employees excluding Police and Public Works employees,
- (iii) \$1,000 - New employees who have been employed for less than a year,
- (iv) \$1,000 - All part-time essential employees,
- (v) \$750 - All part-time nonessential employees, and
- (vi) Employees that are currently being disciplined or pending other adverse administrative employment action as described in Section VII of the current version of the Employee Handbook will not be eligible to receive SLFRF Premium Pay.

**AND BE IT FURTHER RESOLVED**, that this Resolution shall authorize the transfer of funds within the FY 2023 Budget (i.e., detailed line item(s)) in the following manner:

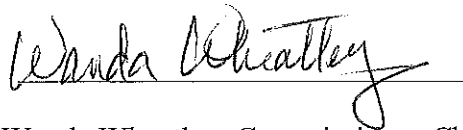
FY23 Budget Line		Increase		Decrease
5005 General Government Salaries		3,500		
5205 Public Works Salaries		5,000		
5405 Police Salaries		10,700		
4201 Increase Appropriated from Fund Balance		19,250		
Funds allocated for ARPA Premium Pay for Employees				

**AND BE IT FURTHER RESOLVED**, that the Town Manager and Town Treasurer shall ensure that the Annual Budget Ordinance, as amended, and any duly authorized amendatory budget resolutions, and the detailed line-item budget/quarterly financial reports are properly enumerated, annotated and amended to accommodate the intent of this Resolution.

**AND BE IT FURTHER RESOLVED**, that the commission-Chair is authorized to sign this Resolution on behalf of the Council.

**AND BE IT FURTHER RESOLVED**, that this Resolution shall take effect immediately upon passage.

TOWN OF COTTAGE CITY, MARYLAND



Wanda Wheatley, Commissioner-Chair

CERTIFICATION

I, HERBY CERTIFY, as the duly appointed Acting Town Manager of the Town of Cottage City, Maryland, that on 9 day November 2022 with 5 Aye votes and 0 Nay votes, the aforesaid Resolution 2022-13 Passed.



Carol Richardson  
Town Manager