



500 West Big Beaver  
Troy, MI 48084  
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## CITY COUNCIL AGENDA ITEM

Date: August 17, 2020

To: Mark F. Miller, City Manager

From: Robert J. Bruner, Assistant City Manager  
Rob Maleszyk, Chief Financial Officer  
Lisa Burnham, Controller  
Jeanette Menig, Human Resources Director

Subject: COVID Hazard Pay for City Employees

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### **History**

The State of Michigan created the First Responder Hazard Pay Premiums Program (FRHPPP) by Public Act 123 and amended by Public Act 144 to reimburse and/or pay for qualifying first responder hazard pay premiums provided to first responders who have performed hazardous duty or work involving physical hardship related to COVID-19. The program is funded under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, Public Law 116-136.

The program allows for an advance application, whereby the eligible entity requests the funds before issuing the hazard pay to the employee. Reimbursements and advance requests for reimbursement are limited to employees whose job classifications are specifically identified in the FRHPPP. As such, we have submitted a reimbursement request for employees classified as law enforcement officers (including command officers), fire staff command officers, 911 operators/local unit correction officers (Police Service Aides and Communications Supervisors).

The legislation details that an entity may request reimbursement to a maximum of \$1,000 per eligible employee. Therefore, City submitted an application and advance request on August 10, 2020.

It is anticipated that we will know the outcome of our advance reimbursement request by August 24, 2020, according to the schedule identified by the State of Michigan Treasury website. Assuming our request is approved, payments to the employees in the classifications identified who worked in-person during the “Stay Home, Stay Safe” Executive Order will be paid a \$1,000 hazard bonus on September 25, 2020. Based on our application, the maximum amount we can be reimbursed is \$148,000.

Although the FRHPPP limits reimbursement for hazard pay to the specific first responders included in the legislation, the City of Troy benefitted from the work of many employees in several other classifications who worked in-person during the “Stay Home, Stay Safe” Executive Order.

City management desires to recognize employees not included in the FRHPPP with hazard pay, too.

In addition to those recognized by the FRHPPP, we have identified up to 120 full-time, part-time and seasonal employees who worked between March 24 and June 12 (during the “Stay Home, Stay



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Safe” Executive Order) and approximately 50% (or more) of their regular work hours were worked in-person. These employees were regularly reporting to their job site; for some 100% of their work was in-person, for others remote work was also performed or a combination of in-person and on-call time.

### **Financial**

The maximum to be paid, and reimbursed, for first responders is \$148,000, representing a maximum of 148 employees receiving \$1,000 each. In addition, providing a benefit up to \$1,000 to the 120 employees whose positions are not included in the FRHPPP reimbursement would total \$120,000.

Additional sources are being investigated for possible reimbursement of some of the additional costs and a budget amendment will be submitted in the future to address actual costs.

### **Recommendation**

City management recommends approval to pursue a City of Troy COVID hazard pay program for employees, pending the approval of our FRHPPP application, with a maximum unreimbursed cost of \$120,000 in FY 2020/2021.

### **Legal Review**

This item was submitted to the City Attorney for review pursuant to City Charter Section 3.17.