

GOVERNMENT OF THE CITY OF SOUTH FULTON

Office of the City Manager


WILLIAM “BILL” EDWARDS
MAYOR



ODIE DONALD II
CITY MANAGER

MEMORANDUM

TO: Honorable Mayor William “Bill” Edwards & City Council Members

FROM: Odie Donald II 
City Manager

DATE: April 1, 2020

SUBJECT: COVID-19 Hazardous Duty Pay Recommendations/Considerations

Overview

As presented in both public and private forums, the City of South Fulton has begun to explore our ability to provide compensation for hazard pay, as well as determining the categories of essential services that may or may not qualify. The focus of our evaluation has centered on Public Safety personnel (Police Department, Fire Rescue and Code Enforcement) regarding the City of South Fulton offering monthly hazard pay similar to other municipalities in the metro Atlanta area.

The Finance, Human Resources, Police, Fire Rescue, and Community Development & Regulatory Affairs Departments were tasked with a review to gather information and make a recommendation if the additional funding can be implemented.

Background

1. What is hazardous duty pay?

The Department of Labor defines hazard pay as additional pay for performing hazardous duty or work involving physical hardship. Work duty that causes extreme physical discomfort and distress which is not adequately alleviated by protective devices is deemed to impose a physical hardship. Especially, if protective devices will not entirely mitigate the danger or hardship involved.

2. Which COSF employees fall in the category of performing hazardous duty?

The hazard pay policy should apply to front-line staff positions, including sworn public safety positions and civilians performing critical life and safety, inspection, and other front-line functions. Any employee required to perform duties that potentially exposes them to the hazard of contracting COVID-19.

3. Rationale: How do we determine Coronavirus pandemic as working in hazardous conditions?

Fire Rescue and law enforcement employees have an increased risk of exposure to COVID-19 due to the essential functions required in their role. Additionally, other front-line employees that conduct inspections and land development must interact with the public to perform the essential duties of their job.

4. **Are employers required to pay hazardous duty pay?** There is no law requiring COSF to pay hazard pay: both the amount of the pay and the conditions under which it is paid are determined by the employer.

5. **What is the criteria for hazardous duty pay?**

Employees must have worked 100% of their scheduled hours each pay period to be eligible for the monthly disbursement. The intent behind the hazard pay is to incentivize those physically working their full schedule. This criteria must be spelled out because there are several essential, non-first responder employees that will be eligible for the new paid leave categories for childcare and/other absences related to COVID-19.

6. **What is the recommendation for COSF hazardous duty pay?**

The most feasible option, if funding permits, is to pay a flat rate at \$250 a month (\$125 a pay period) beginning April 13, 2020 through July 5, 2020—contingent upon on developing events related to COVID-19. The impacted departments have identified **272 employees** that would qualify for such pay. The approximate cost calculation is **\$204,000** (calculated at \$125, per 6 pay periods, per employee).

Additionally, if an employee that is eligible to receive hazard pay does not work 100% of their scheduled hours due to vacation and/or receives compensation for an absence covered under a paid leave category (i.e. sick, COVID- sick, EFMLA, holiday, etc.), s/he should not be entitled to receive hazard pay for that pay period.

Pay increases per employee would increase the employee’s overtime rate of pay which would further impact the general fund budget. Therefore, pay increases are not recommended.

COSF Departments & Employees

| Department | # of Positions | Cost Impact (\$125 x 6 pp) |
|--|----------------|----------------------------|
| Community Development & Regulator | 17 | \$ 12,750.00 |
| Arborist | 1 | \$ 750.00 |
| Code Enforcement Administrator | 1 | \$ 750.00 |
| Code Enforcement Officer | 11 | \$ 8,250.00 |
| Code Enforcement Team Leader | 2 | \$ 1,500.00 |
| Development Site Inspector | 2 | \$ 1,500.00 |
| Fire | 126 | \$ 94,500.00 |
| Fire Battalion Chief | 5 | \$ 3,750.00 |
| Fire Captain | 22 | \$ 16,500.00 |
| Fire Sergeant | 44 | \$ 33,000.00 |
| Firefighter | 55 | \$ 41,250.00 |
| Police | 129 | \$ 96,750.00 |
| Crime Scene Supervisor | 1 | \$ 750.00 |
| Crime Scene Technician | 2 | \$ 1,500.00 |
| Criminal Information Systems Technician | 4 | \$ 3,000.00 |
| GCIC Records Manager | 1 | \$ 750.00 |
| Police Captain | 2 | \$ 1,500.00 |
| Police Detective | 10 | \$ 7,500.00 |
| Police Lieutenant | 10 | \$ 7,500.00 |
| Police Officer II | 77 | \$ 57,750.00 |
| Police Officer II- Park Ranger Division | 3 | \$ 2,250.00 |
| Police Quartermaster | 1 | \$ 750.00 |
| Police Sergeant | 17 | \$ 12,750.00 |
| Police Sergeant- Park Ranger Division | 1 | \$ 750.00 |
| Grand Total | 272 | \$ 204,000.00 |

Hazard Pay Survey

| Agency | Contact | Information |
|--------------------|-------------------------------------|---|
| City of East Point | Iris Bessie HR Director | No- Has not instituted any hazardous duty pay at this time |
| Johns Creek | Chris Coons, Fire Chief | No- looking at various options...My fear is promising something that isn't sustainable since we don't know how long this will last (Example: Overtime pay). I also think that offering bonus "leave" isn't realistic since we have such a small relief factor, basically our members can't use all of their accrued leave under normal circumstances and I am afraid it will just be lost.... I think the best route is some type of bonus after the event is over-- has to be approved via the City Council. |
| City of Milton | Mark Stephens, Deputy Fire Chief | No- No plan in place; sited budget sustainability issues. Noted that employees may be reimbursed for leave time use and City cover those that do not have enough leave time to cover being out for Corona related issues. |
| City of Albany | D. Baker HR Director | No- No plan to offer hazard pay; not affordable |
| Cobb County | Provided by Chief Broome | No- initially offered additional leave accrual/ suspending the pay due to cost impact and sustainability |
| City of Atlanta | Published News | Yes- Close to 5400 front line workers will receive \$500 per month |
| Dekalb County | Provided by Chief Broome | Yes- Front line employees will be compensated at their regular salary PLUS 50% admin pay and 50% comp time. Further detail on front line compensation may be described by separate written policy |
| Gwinnett County | Provided by Chief Broome | Yes- Non-exempt employees who work in field operations will receive 15% increase in pay Exempt employees who work in field operations will receive a 7.5% increase in pay Exempt and non-exempt employees who are required to work in a county building or facility will receive a 5% increase in pay |

Two of the three municipalities currently providing hazard pay to their public safety have EMS transport that generates revenues to meet and offset these new expenditures. Additional information was needed about these entities in comparison with our City in terms of size and budget.

City of Atlanta's public safety personnel have traditionally been paid lower than most governments including the City of South Fulton. They recently gave public safety personnel a raise to bring them up to what other municipalities and agencies make. In order to pay for the raises, they cut other departmental budgets, which the City of South Fulton has not, keeping our commitment to ALL city personnel.

| | |
|--------------------------|------------------------|
| General Operating Budget | \$677,628,773 |
| Enterprise Fund | 1,244,504,071 |
| Other Funds | <u>282,115,710</u> |
| Total Budget | \$2,204,248,554 |

| | |
|------------------------|------------------------|
| 2 Cobb County: | |
| General Fund Operating | \$998,930,000 |
| Capital budget | <u>80,000,000</u> |
| Total Budget | \$1,078,930,000 |

3. DeKalb County:

DeKalb County has reserves they set aside for a “rainy day”. Therefore, they are in a position to sustain if they pay their employees hazard pay.

**DeKalb Commissioners Unanimously Adopt
Fiscal Year 2020 Budget**
*CEO Thurmond prioritizes public safety; \$113.3 million
rainy-day fund*

Today, DeKalb County Board of Commissioners unanimously approved CEO Michael Thurmond's proposed \$1.4 billion budget for Fiscal Year 2020, which projects a \$113.3 million rainy-day fund and prioritizes enhancements to public safety.

A full summary of hazard pay specific to fire personnel considerations is listed (in summary) below. Additional information related to police is underway and has been requested (but not available).

- Atlanta established hazard pay on 3/31/2020.
- Under the State of Emergency declared by DeKalb County, all frontline employees (firefighters, police, sanitation workers, etc.) will get their regular pay rate plus an additional 50% pay and 50% comp time.
- Henry County Fire currently does not offer hazardous pay.
- Fairburn Fire currently does not offer hazardous pay.
- Coweta County Fire currently does not offer hazardous pay.
- Decatur Fire currently does not offer hazardous pay.
- Cobb County currently does not offer hazardous pay.
- Milton Fire currently does not offer hazardous pay.
- Coweta County currently does not offer hazardous pay.
- East Point currently does not offer hazardous pay.
- Sandy Springs Fire currently does not offer hazardous pay.
- Marietta Fire currently does not offer hazardous pay.
- Palmetto Fire currently does not offer hazardous pay.
- Chat Hills currently does not offer hazardous pay.
- Cobb County was offering a vacation incentive; however, is suspending the program during future funding concerns.
- Gwinnett County Fire is offering an incentive that started on March 27, 2020.
- John Creek currently does not offer hazardous pay.
- College Park currently does not offer hazardous pay.
- Union City Fire currently does not offer hazardous pay.
- Hapeville Fire currently does not offer hazardous pay.

Other Considerations/Feasibility and Sustainability

Both Police and Fire are unable to cut general operating or personnel expenditures to fund this additional pay using their FY20 adopted budget. In combatting COVID-19, both entities have expended their existing overtime budget and will be requesting an amendment to utilize this line item to sustain needs through the end of the fiscal year.

South Fulton in Comparison to Metropolitan Atlanta

Most jurisdictions offering hazard pay offer lower base salaries than the city's base salaries for sworn employees. The jurisdiction's hazard pay plus the base salary is still less than the City's base salary for several classifications (see chart). The City continues to lead the market in base salaries for our public safety employees.

| Minimum Entry Salary | | | | |
|----------------------|--------------|--------------|--------------|------------|
| | South Fulton | Dekalb | Gwinnett | Atlanta |
| Police Officer | ↑ \$52,007 | ↓ \$44,280 | ↓ \$42,784 | ↓ \$48,500 |
| Police Sergeant | ↑ \$57,338 | ↑ \$59,394 | ↓ \$49,851 | ↓ \$51,800 |
| Police Detective | ↑ \$57,338 | ↓ \$47,835 | ↓ \$44,868 | ↓ \$44,587 |
| Police Lieutenant | ↑ \$66,375 | no positions | ↓ \$56,195 | ↓ \$64,451 |
| Police Captain | ↑ \$76,838 | ↓ \$73,617 | no positions | ↓ \$73,793 |
| Firefighter | ↑ \$44,926 | ↓ \$42,504 | ↓ \$34,246 | ↓ \$41,132 |
| Fire Sergeant | ↑ \$52,007 | ↓ \$49,614 | ↓ \$42,047 | ↓ \$45,175 |
| Fire Lieutenant | ↑ \$60,205 | no positions | ↓ \$48,695 | ↓ \$56,259 |
| Fire Captain | ↓ \$66,375 | ↓ \$59,354 | ↓ \$55,582 | ↑ \$67,191 |
| Fire Battalion Chief | ↑ \$76,838 | ↓ \$73,617 | ↓ \$70,077 | ↓ \$73,000 |

Summary

In evaluating our public safety personnel, hazard pay is not included in our 2020 budget. Projections related to COVID-19's impact on the City's current and future budgets appear to result in a severe loss in revenue ranging from nine percent to upwards of twenty percent depending on the length of time the pandemic lasts. Department leaders over Police, Fire Rescue, and Community Development & Regulatory Affairs have all confirmed that they did not have funds in their personnel or operating budgets to allocate for hazard pay at this time, although they are in favor of providing such a benefit, which administrative executive leaders wholeheartedly support.

There is a pending bill from the US Government that considers hazard pay, but it has not been delivered to local governments at this time. The City is currently working with the County, the State, and Federal offices to take advantage of this program upon release of all facts and eligibility. As of now, providing hazard pay would negatively impact the City's ability to pay non-essential staff and/or continue operations. Our focus is to ensure continued service delivery and to ensure that the City has enough funds to make payroll for all employees without layoffs or furloughing, which will be required if the pandemic continues.

WASHINGTON — U.S. Treasury Secretary Steven Mnuchin has said that hazard pay for first responders could be included in future legislation to address the [COVID-19 national health emergency](#).

Mnuchin [told CNN](#) Monday that his department has not yet begun work on a fourth stimulus package, as it works to implement the third package passed by the Senate last week, but that hazard pay for first responders and healthcare workers is “definitely something we will put in the next bill.”

Despite these challenges and concerns, providing hazard pay with or without federal support is a top priority as we approach a mid-year budget amendment. As we do so, there are key considerations related to future obligations and the City’s ability to deliver services beyond FY20 noting the projected drop in revenues, that are included in any future considerations.

In closing, the City of South Fulton has from inception, taken proactive steps to ensure that our staff is compensated in line with (and in most categories) ahead of the region. These actions, as illuminated above, prove that our proactive investment in our staff is ahead of the Metropolitan Atlanta region. Unfortunately, such investments also require the City to maintain a staunch posture of fiscal responsibility in navigating day to day operations and unforeseen circumstances that impact the totality of service delivery fully realized by COVID-19.

As such, it is my recommendation to the elected body that we do not extend hazard pay at this time, allowing administrative staff to further coordinate with local, State, and federal partners. Revisiting the topic with a final recommendation on or before May 1, 2020, which would include plans to roll out the benefit (if feasible). It is also my intent, with the approval of Council, to provide such benefit with an appropriate back pay date for essential staff that would be eligible.

Should you need further information regarding this correspondence, please contact Odie Donald II at odie.donald@cityofsouthfultonga.gov.