



City of South Fulton Government

NEWS RELEASE

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South Fulton Exploring Deferred Compensation for Essential Employees

(CITY OF SOUTH FULTON, GA – April 13, 2020) – The City of South Fulton City Council today authorized staff to explore options for providing an additional benefit for essential employees as the city continues to manage the COVID-19 pandemic.

Referred to as gladiator benefits, the proposed deferred compensation would be in the form of additional paid leave, allowing the city to compensate essential employees for the extra risk they face. The plan also would minimize the impact on financial resources as the city predicts a significant shortfall in revenue because of the virus.

City staff will bring the proposal before the council for consideration later this month.

“Our essential employees are on the front lines every day, ensuring the safety of residents during this unprecedented time,” said Mayor William “Bill” Edwards. “We want to make sure we take care of these staff members by compensating them for putting themselves in harm’s way.”

City officials polled essential employees to get their input on several factors, including receiving a cash benefit versus additional paid leave that would increase in value over time. Half those polled voiced support for such a benefit. South Fulton is the only municipality known to have surveyed employees to learn what is important to them with regard to hazard pay.

Under the proposal, essential employees – those employed in the city’s fire, police, code enforcement, public works and parks and recreation departments – would accrue additional leave at the rate of an extra shift per month. That paid leave would be placed in a separate category from vacation and other paid leave. Employees would be to access the banked time if they exhaust vacation days or sick leave.

Essential employees would be able to cash in their accrued leave if assistance programs being discussed at the state and federal levels are approved. Those programs would deliver financial assistance to local governments, allowing them to provide hazard pay for essential employees.

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“As we remain hopeful our leaders at the state and national levels will put some form of financial assistance in place, we won’t wait on them. The gladiator benefit allows us to fully support the sacrifices made by our essential employees,” said City Manager Odie Donald II. “The intent is to provide a robust and diverse benefit that rivals any municipality in the country without jeopardizing the financial future of our young city.”

“The gladiator benefit is much like a stock investment with a limited initial cash value that grows exponentially over time,” Donald added. “If at any time the state or federal governments provide assistance to cities, the benefit would convert to cash paid to employees, for which the city will be reimbursed.”

The proposal includes a vesting period with employees who remain with the city for a year from the date the pandemic is declared over being eligible for the full value of leave accrued. The vesting requirements for those leaving employment before that time would be managed on an adjusted scale based on the time the employee stays with the city following the pandemic. The benefit would not have an expiration date.

The proposed compensation plan would take effect May 1 and would be retroactive to April 13.

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