



CITY OF BIRMINGHAM

MAYOR RANDALL L. WOODFIN

PUTTING PEOPLE FIRST

May 28, 2021

Dear Valued City of Birmingham Employee,

The pandemic created a difficult, trying year that tested our city – and our families – in unimaginable ways.

No matter the challenge, your continued service and commitment to the City of Birmingham has never wavered. You worked through unforeseen obstacles, constantly adjusted and adapted, and maintained the high level of service that our community expects.

For that, I speak for our community when I say we're grateful.

Now, as our city begins its recovery, it's my duty to make sure our city employees and their families are also supported as we continue to work through the pandemic. While we have proposed an operating budget that provides a cost of living raise, merit and longevity pay, and a fully funded pension, we want to do more.

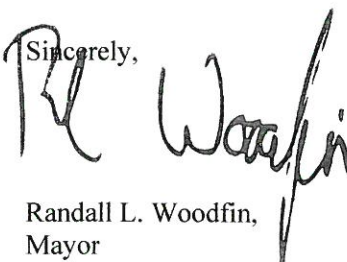
I'm very happy to announce that as part of the Magic City Recovery Plan, which is funded through the Biden Administration's American Rescue Plan of 2021, we will recommend full-time employees with the City of Birmingham receive a one-time premium payment of \$5,000 for their continued service during this pandemic. Part-time employees with the City of Birmingham will receive a one-time premium payment of \$2,500 for their continued service during this pandemic.

I will present this recommendation to the City Council and the Jefferson County Personnel Board for their consideration in order to provide this pay before the end of the fiscal year on June 30, 2021. I want to thank Councilor Hunter Williams, Council President William Parker, President Pro Tempore Wardine Alexander and all the members of the City Council for their continued support of our employees.

The premium pay is taxable income; however, no pension contributions will be deducted from this pay. As some of you know, premium payments such as these may be subject to a higher federal income tax deduction. These payments could be subject to a mandatory 25% federal taxation rate. We are communicating with the U.S. Department of Treasury on the final taxation rate for this one-time premium payment. Employees will be notified once the city receives the final guidance on the taxation rate.

In addition, the city is developing a voluntary buy-out program of excess vacation hours for eligible employees. The program will be offered only to individuals who were limited or prohibited from taking vacation during calendar year 2020. The buy-out will only be applicable to hours in excess of 320 hours (or 424 hours for 24-hour firefighter positions).

As many of us take a break for the Memorial Day weekend, I want to again offer my heartfelt thanks to each of you for your service to the people of our city.

Sincerely,

Randall L. Woodfin,
Mayor