



Department of Human Resources

INTER-OFFICE COMMUNICATION

Date: June 24, 2022

To: Marcelia Nicholson, Chairwoman, Milwaukee County Board of Supervisors

From: Margo Franklin, Chief Human Resources Officer, Department of Human Resources
Dean Legler, Director of Compensation/HRIS, Department of Human Resources

Subject: From the Chief Human Resources Officer and the Director of Compensation/Human Resources Information Systems, Department of Human Resources, Requesting an Additional 2% General Increase for Milwaukee County Employees Effective for Pay Period 18 Beginning August 21, 2022

File Type: Action Report

REQUEST

This report is submitted to request approval of an additional 2% general increase for Milwaukee County employees effective for pay period 18 beginning August 21, 2022.

POLICY

Milwaukee County Code of General Ordinances:	17.055
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BACKGROUND

The Department of Human Resources has worked with the Office of Strategy, Budget and Performance as well as the Administration in developing this proposal to provide for an additional 2% general increase for Milwaukee County Employees. There is a \$2.5M midyear tax levy allocation (\$5M annualized) in the 2022 Budget that was set aside for midyear compensation adjustments based on recommendations as a result of the Compensation Transformation Project.

It has been determined that a new compensation structure, which will require Board approval, will need to be adopted before effective transformation of the County's overall compensation practices can begin. Additionally, the following factors support the best use of the allocation is to provide an additional mid-year general increase:

- Milwaukee County is facing significant difficulty in attracting and retaining employees **across the board**, given the current competitive market for talent.

- The table below indicates that budgetary constraints have not allowed Milwaukee County to keep up with overall recent salary increase averages as reported by World@Work (global organization for professionals who are engaged in the practice of total rewards formerly known as The American Compensation Association), throughout the United States.

Salary Increase Budget Comparison

	<u>World@Work</u>	<u>Milwaukee County</u>
2022	Projected 3.7% (Up from 2.9% projection)	2% Q2
2021	3.0%	1% / 0.5% over \$100k MP
2020	2.9%	1%
2019	3.2%	2%
2018	3.1%	1%

- Inflation, as a result of many factors, inclusive of the Covid-19 pandemic, has trended significantly high in 2022. All Milwaukee County employees are experiencing a sharp rise in the cost of living.

The 2% increase is proposed to be effective beginning pay period 18 on August 21, 2022. In 2022, the associated cost will be approximately \$1.7 million in total with a tax levy impact of \$1.4 million. The annual cost impact is estimated to be \$4.9 million with a tax levy impact of \$4.28 million.

This will bring the total general increase to 4% for 2022, including 2% that was awarded in April 2022 and 2% that is proposed for pay period 18 in August 2022.

Amendments to the collective bargaining contracts between the County and its general municipal employee unions are required in order to apply the proposed general increase to employees within these bargaining units. Application of a general increase is authorized by the Board under this proposal and agreed to by a union via amendment to its contract will be implemented in pay period 18, by retroactive payment if necessary.

Elected Officials and those serving on various Boards would not be eligible just as with typical general increases.

Related File No's:	N/A
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ALIGNMENT TO STRATEGIC PLAN

Describe how the item aligns to the objectives in the [strategic plan](#):

- 1A: Reflect the full diversity of the County at every level of County government
- 1B: Create and nurture an inclusive culture across County government
- 1C: Increase the number of County contracts awarded to minority and women-owned businesses
- 2A: Determine what, where, and how we deliver services to advance health equity
- 2B: Break down silos across County government to maximize access to and quality of services offered
- 2C: Apply a racial equity lens to all decisions
- 3A: Invest “upstream” to address root causes of health disparities
- 3B: Enhance the County’s fiscal health and sustainability
An additional 2022 general increase will allow improve our market competitiveness with respect to employee pay.
- 3C: Dismantle barriers to diverse and inclusive communities

FISCAL EFFECT

The 2% increase is proposed to be effective beginning pay period 18 on August 21, 2022. In 2022, the associated cost will be approximately \$1.7 million in total with a tax levy impact of \$1.5 million. The 2022 budget included \$2.5 million of tax levy funding to support this increase.

The annual cost impact is estimated to be \$4.9 million with a tax levy impact of \$4.285 million. The additional cost for 2023 is planned to be included in the 2023 budget.

TERMS

N/A

VIRTUAL MEETING INVITES

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PREPARED BY:

Dean Legler, Director of Compensation/HRIS, Department of Human Resources

APPROVED BY:

Margo Franklin, Chief Human Resources Officer, Department of Human Resources

ATTACHMENTS:

Resolution
Fiscal Note

cc: Mary Jo Meyers, Chief of Staff, Milwaukee County Executive's Office
Supervisor Willie Johnson Jr., Chair, Committee on Personnel
Supervisor Elizabeth Sumner, Chair, Committee on Finance
Joe Lamers, Director, Office of Strategy, Budget and Performance,
Margo Franklin, Chief Human Resources Officer, Department of Human Resources
Steve Cady, Research & Policy Director, Office of the Comptroller