

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: July 15, 2021

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution authorizing and directing the Department of Human Resources, the Office of the Comptroller, and the Department of Parks, Recreation, and Culture reallocate the pay grades for all lifeguard positions, provide retention bonuses, cover training costs for lifeguards, and create a new seasonal park worker position to attract new hires and encourage employee retention and authorizing and directing an appropriation transfer request in the amount of \$124,304 from Org. Unit 1800-1945 – Appropriation for Contingencies to Org. Unit 9000 – Department of Parks, Recreation, and Culture to effectuate such measures.

FISCAL EFFECT:

- | | |
|-------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency’s Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency’s Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input checked="" type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$124,304	\$380,039
	Revenue	\$0	\$0
	Net Cost	\$124,304	\$380,039
Capital Improvement Budget	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated. ¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. Approval of this resolution will do the following:
 - Reallocate the current pay grades of all seasonal lifeguard positions working at the Department of Parks, Recreation, and Culture, by increasing all applicable pay grade steps by \$3.00, except for the top step in each applicable pay grade which shall be increased by \$4.00, effective pay period 17; and
 - Provide a \$100 referral bonus for any lifeguard, in any lifeguard position, hired before June 1, 2021, who refers an individual who is successfully trained and hired for any lifeguard position; and
 - Provide a bonus for all new and incumbent lifeguards, in any position, of \$200 per each month successfully completed, paid out at the end of the season; and
 - Provide a \$200 bonus for any lifeguard, in any position, who returns for the 2022 season; and
 - Provide free Emergency Medical Responder (EMR) training at a cost of \$350 for each potential lifeguard trainee who is required to participate in such training; and
 - Abolish the current pay grade of all Parks Seasonal Worker 1, effective pay period 17 and create a new pay grade which is between \$12 and \$15 per hour (which is a pay grade that would fall between the current Park Worker 3 Seasonal and Park Worker 4 Seasonal pay grades).

- B. The direct cost associated with the actions above is detailed below. It is important to note that these changes will likely lead to equity and compression issues throughout the Department of Parks, Recreation, and Culture as well as in other departments throughout the County. Those impacts have not yet been identified and would likely come before the County Board through subsequent position reallocation and reclassifications.

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

² Community Business Development Partners' review is required on all professional service and public work construction contracts.

- Reallocate the current pay grades of all seasonal lifeguard positions working at the Department of Parks, Recreation, and Culture, by increasing each step within those pay grades by \$3.00, except the top step which shall be increased by \$4.00, effective pay period 17:

Lifeguard Pay Grade Reallocation		
	2021	2022
Salary	\$ 67,365	\$ 230,800
Medicare Tax	\$ 977	\$ 3,347
	\$ 68,342	\$ 234,147

For 2021, this amount assumes that seasonal staffing will remain at the levels they are currently at as of pay period 14 and return to 2019 seasonal staffing levels in fall when indoor pools are reopened. For 2022, it assumes seasonal staffing levels consistent with average seasonal staffing levels for 2018 and 2019. Further, this fiscal note does not address the additional cost associated with a 1 percent increase that will be added to these pay grades effective pay period 14.

- Provide a \$100 referral bonus for any lifeguard, in any lifeguard position, hired before June 1, 2021, who refers an individual who is successfully trained and hired for any lifeguard position:

Lifeguard \$100 Referral Bonus		
	2021	2022
Referrals	2	17
Cost	\$ 200	\$ 1,700

Without a previous referral bonus in place, it is difficult to estimate how many referrals may occur. For 2021, it is unlikely that many referrals will occur given that recruiting efforts are no longer underway. For 2022, the fiscal note assumes that 20 percent of the current lifeguards will provide a referral in 2022. Given the amount of the bonus, changes to this assumption will result in a negligible impact.

- Provide a bonus for all new and incumbent lifeguards, in any position, of \$200 per each month successfully completed, paid out at the end of the season:

Lifeguard Monthly \$200 Retention Bonus		
	2021	2022
Lifeguards	86	180
Months	258	540
Cost	\$ 51,600	\$ 108,000

Given the fluidity of seasonal staffing, the cost of the retention bonus is assumed to go to the current and additional staff hired for summer of 2021, resulting in 201 months of bonus to be paid. For 2022, it is assumed that 180 lifeguards will be hired and work consistently for 3 months during the year, for a total of 540 months.

- Provide a \$200 bonus for any lifeguard, in any position, who returns for the 2022 season:

Lifeguard \$200 Returning Bonus		
	2021	2022
Lifeguards	0	83
Cost		\$ 16,600

For purposes of this fiscal note, it is assumed that the entire 2021 seasonal pool of lifeguards will return for the 2022 season, for a maximum fiscal impact of \$16,600.

- Provide free Emergency Medical Responder (EMR) training at a cost of \$350 for each potential lifeguard trainee who is required to participate in such training:

Lifeguard Paid Training		
	2021	2022
Trainees	0	156
25 % Non-Pass Rate	0	42
Cost	\$ -	\$ 8,400

The County currently provides free lifeguard training to those individuals that pass and work an entire season. The County pays \$150 of the \$350 EMR training upfront and reimburses the lifeguard at the end of the season for the remaining \$200. The County also provides an additional payment of \$359 to those who work the entire season towards the time spent at training. Under this proposal, the only financial change would be paying for the full cost of the EMR training for those who do not pass. For purposes of this fiscal note, it is assumed that the County would pay the additional \$200 for 25 percent of the estimated trainee population (42 individuals) that will not pass the course.

- Abolish the current pay grade of Park Seasonal Worker 1 (which moves each Park Worker 1 Seasonal into step 1 of a Park Worker 2 Seasonal pay grade) and create a new pay grade which is between \$12 and \$15 per hour (which is a pay grade that would fall between the current Park Worker 3 Seasonal and Park Worker 4 Seasonal pay grades), effective pay period 14:

Park Work Seasonal Pay Grade Changes		
	2021	2022
Park Worker 1 Seas	\$ 4,103	\$ 11,032
Medicare Tax	\$ 59	\$ 160
Cost	\$ 4,162	\$ 11,192

For both 2021 and 2022, it is assumed that Park Worker Seasonal 1 will work on average the same amount as in 2018 and 2019. For 2021, it is assumed that this does not take affect until pay period 17 (this fiscal note does not address the additional cost associated with a 1 percent increase that will be added to these pay grades effective pay period 14).

The requested new pay grade will have a fiscal cost associated with it in the future, as employees who would have otherwise been placed at the top step of the current Park Worker 3 Seasonal pay grade (\$11.83) could now be placed at a rate between \$12 and \$15. The fiscal impact will vary based on how many employees are eventually hired in the new pay grade.

- C. For 2021, the estimated costs associated with the seasonal lifeguard and seasonal park worker actions are not budgeted. It is possible that a salary surplus may exist due to the low number of

lifeguards hired in 2021. However, since seasonal staffing is constantly fluctuating, the seasonal lifeguard surplus may not be sufficient to cover the costs in 2021. Similarly, the department may experience a salary surplus for seasonal park workers, but it too may not be sufficient to cover the additional costs in 2021. Therefore, to ensure the department has the financial capacity to fully implement these changes, budget appropriations in the following amount could be established via the Appropriations for Contingency:


Budgetary Impact		
	2021	2022
Lifeguard		
Pay Grade Reallocation	\$ 68,342	\$ 234,147
\$100 Referral Bonus	\$ 200	\$ 1,700
\$200 Retention Bonus	\$ 51,600	\$ 108,000
\$200 Returning Bonus	\$ -	\$ 16,600
Paid Training	\$ -	\$ 8,400
subTotal	\$ 120,142	\$ 368,847
Park Worker Seasonal		
Park Worker 1 Abolish	\$ 4,162	\$ 11,192
subTotal	\$ 4,162	\$ 11,192
Total	\$ 124,304	\$ 380,039

Funding for these actions would need to be included in the department's 2022 budget through either increasing the department's tax levy or decreasing other appropriations which could impact the services the department is able to provide in future years.

- D. The fiscal estimates were created using various historical averages and general assumptions. Employee's affected by these changes may leave the employment of the County, may be promoted, or have some other action that occurs that could affect the dollar amounts estimated here. Any actuals that differ from the assumptions used here will either increase or decrease the calculated cost of this resolution.

This estimate assumes that this resolution will be adopted by the County Board at its next regularly scheduled meeting in July 2021 and be effectuated by pay period 17.

Department/Prepared By Cynthia (CJ) Pahl

Authorized Signature Cynthia (CJ) Pahl 

Did DAS-Fiscal Staff Review? Yes No

Did CDBP Review? Yes No Not Required