

**COUNTY OF MILWAUKEE**  
**INTEROFFICE COMMUNICATION**

DATE: January 18, 2023

TO: Marcelia Nicholson, Chairperson, County Board of Supervisors

FROM: Cynthia (CJ) Pahl, Financial Services Director, Office of the Comptroller

SUBJECT: Fiscal Impact – 2023-2024 Collective Bargaining Agreement with the Milwaukee County Fire Fighters’ Association, International Association of Fire Fighters Local 1072

The following summary provides the fiscal impact of the Milwaukee County Fire Fighters’ Association, International Association of Fire Fighters Local 1072 contract agreement for the calendar years 2023 and 2024. It provides an *estimate* of the fiscal impact of the proposal based on current data; the actual fiscal impact may be greater than or less than the impact that is estimated below.

The table below presents the key wage and benefit elements of the proposed contract.

<b>Table 1</b>	
<b>Wage &amp; Benefit Proposals</b>	
<b>Period Covered by Contract</b>	January 1, 2023 - December 31, 2024
	<b>Proposal</b>
<b>1 Wage Rate Increases</b>	2023 PP1 - 3.00%
	2024 PP1 - 2.50%
<b>2 Bonues</b>	\$1,000 bonus in 2023 for all full time employees
<b>3 Extra Day Off</b>	Increase by one day
<b>4 Parental Leave</b>	Employees will be eligible for paid parental leave

The following tables present the fiscal impact summary for the contract:

<b>Table 2: Fiscal Impact By Year</b>			
<b>Firefighters Contract</b>			
<b>2023 - 2024</b>			
<b>Period Covered by Contract</b>		<b>2023</b>	<b>2024</b>
<b>Wage Changes</b>			
1	PP1, 2023 (3.00%)	\$ 45,240	\$ 45,240
2	PP1, 2024 (2.50%)		\$ 38,831
3	Bonus	\$ 16,000	
4	Extra Day Off	\$ 9,604	\$ 9,604
5	Parental Leave	\$ 30,942	\$ 30,942
	FICA	\$ 7,787	\$ 9,533
	Pension	\$ 8,407	\$ 12,212
	<b>Annual Fiscal Impact</b>	<b>\$ 117,980</b>	<b>\$ 146,363</b>
	<b>Grand Total 2023 - 2024</b>		<b>\$ 264,343</b>

### Budget Impact

The budget impact is shown in the table below. The 2023 Adopted Budget includes \$30,836 to cover the costs of pay increases. Costs above the current year appropriations will be absorbed within the Milwaukee County Department of Transportation – Airport Division’s budget. Because these expenditures are paid for through airport revenues, there is no tax levy impact from any of these changes.

<b>Table 3: Budgetary Impact</b>			
<b>Firefighters Contract</b>			
<b>2023 - 2024</b>			
<b>Period Covered by Contract</b>		<b>2023</b>	<b>2024</b>
<b>Contract Cost / (Savings)</b>			
	Wages	\$ 45,240	\$ 84,071
	Bonus	\$ 16,000	\$ -
	Extra Day Off	\$ 9,604	\$ 9,604
	Parental Leave	\$ 30,942	\$ 30,942
	FICA/Pension	\$ 16,194	\$ 21,746
	<b>Total Cost</b>	<b>\$ 117,980</b>	<b>\$ 146,363</b>
<b>Funding Sources</b>			
	Current Year Appropriations	\$ 30,836	\$ -
	<b>Total Funding</b>	<b>\$ 30,836</b>	<b>\$ -</b>
	<b>Total Additional Resources Required</b>	<b>\$ 87,144</b>	<b>\$ 146,363</b>

## Cumulative Wage and Benefit Lift

The following table projects the cumulative dollar change and percentage lift in costs for the proposed contract. It includes costs for all years, as previously shown in the other schedules, but on an annualized basis. This is the minimum cost the County will continue to pay in future years barring any changes within successor agreements. The benefit changes provided in 2023-2024 result in a total cumulative lift of 9.56 percent.

<b>Table 4: Cumulative Lift</b>				
<b>Firefighters Contract</b>				
<b>2023 - 2024</b>				
			<b>Cumulative</b>	<b>Cumulative</b>
			<b>Total Lift</b>	<b>Lift %</b>
<b>Wage Rate Increases</b>				
1	PP1, 2023 (3.00%)	\$	45,240	2.96%
2	PP1, 2024 (2.50%)	\$	38,831	2.54%
3	Bonus	\$	-	0.00%
4	Extra Day Off	\$	9,604	0.63%
5	Parental Leave	\$	30,942	2.02%
<b>Subtotal Wages</b>			\$ 124,617	8.14%
FICA			\$ 9,533	0.62%
Pension (9.8%)			\$ 12,212	0.80%
<b>Subtotal Wages &amp; FICA</b>			\$ 146,363	9.56%
<b>Total Wage &amp; Benefit Change</b>			\$ <b>146,363</b>	<b>9.56%</b>

## Administrative Costs Associated with Implementing this Contract

For wage rates and bonus payouts, the implementation will require internal time and effort. To implement this contract, personnel in the Department of Human Resources will have to input the rate changes into the Ceridian System and Office of Comptroller staff will need to compute and process retroactive payments. These tasks will be absorbed within current employees' duties and will not likely result in unexpected administrative costs.

*The above information was prepared by the Office of the Comptroller. It will be independently reviewed by the Office of the Comptroller – Audit Services and Office of the Comptroller – Research Services Division to satisfy Milwaukee County Ordinances. The Department of Administrative Services has also been provided a copy. A separate report may be issued by any of these divisions based upon their findings.*