




Office of the Comptroller

Milwaukee County

Scott B. Manske • Comptroller

DATE: December 14, 2015

TO: Theodore Lipscomb, Sr., Chairman, County Board of Supervisors

FROM: Scott B. Manske, Comptroller 

CC: Paul Bargren, Corporation Counsel

SUBJECT: Fiscal Implications of 2015 Collective Bargaining Agreements with Milwaukee Building & Trades Construction Council, Federation of Nurses and Health Professionals Local 5001, AFT, AFL-CIO, Association of Milwaukee County Attorneys, and Technicians, Engineers and Architects of Milwaukee County

Under Wisconsin Employment Relations Commission (WERC) rules and Statute Statute, non-public safety bargaining units are only allowed to negotiate for base wage increases on an annual basis. The start of the bargaining year for the four non-public safety unions was January 1, 2015. The last day of their previously negotiated contract was December 31, 2014. The four bargaining units were recertified in 2015.

2015 Base Wage Limit

Using rules provided by WERC, a calculation was made to provide the maximum base wage increase allowable for 2015 for these bargaining units. The calculation was based on the members of the bargaining units in the pay period that was 180 days prior to the expiration date of the most recent collective bargaining agreement. The pay period used was Pay Period 15 2014 (ending July 5, 2014). The annual wages of the members employed at that time were calculated based upon their existing wage rates and were then multiplied by the CPI applicable to bargaining years beginning on January 1, 2015 or 1.57 percent. This generates the maximum base wage increase allowable for purposes of bargaining. The bargaining units had actively employed members and maximum base wage increases allowable as follows¹:

¹ For purposes of this memorandum, the FNHP bargaining unit consists of all represented employees only under control of the Milwaukee County Board and not those under jurisdiction of the Milwaukee County Mental Health Board.

Union	Members	Maximum Base Wage Increase
Nurses	88	\$ 69,006
Trades	84	\$ 92,780
Attorneys	48	\$ 72,145
Teamco	37	\$ 41,071

2015 Wage Increase and Base Wage Compliance

Applying the wage increase authorized in File #15-526 to these bargaining units would increase the base wage rates by 1.5 percent effective with Pay Period 14 (beginning July 21, 2015). The determination of compliance with the Base Wage Limit uses the proposed 1.5 percent increase for the portion of the calendar year which the increase is in effect. As a result, the base wage increase will result in total salary lifts for 2015 which are within the maximum base wage increase allowable as shown below:

Union	Members as of PP15 2014	Current Members	Maximum Base Wage Increase	Total 2015 Salary Lift	Salary Lift Available
Nurses	88	21	\$ 69,006	\$ 9,534	\$ 59,472
Trades	84	77	\$ 92,780	\$ 43,506	\$ 49,275
Attorneys	48	49	\$ 72,145	\$ 38,358	\$ 33,787
Teamco	37	37	\$ 41,071	\$ 21,594	\$ 19,477

Impact of 2015 Wage Increase on 2015 Budget and 2016 Budget

Assuming that agreements are ratified with the four non-public safety unions, the base wage rates will increase by 1.5 percent effective with Pay Period 14 (beginning June 21, 2015). The actual cost of the wage increase for 2015 would be as follows:

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	Nurses	Trades	Attorneys	Teamco
Annual Cost	\$ 9,534	\$ 43,506	\$ 38,358	\$ 21,594
FICA	\$ 729	\$ 3,328	\$ 2,934	\$ 1,652
Pension - County Portion	\$ 953	\$ 4,351	\$ 3,836	\$ 2,159
Pension - Employee Contribution	\$ (477)	\$ (2,175)	\$ (1,918)	\$ (1,080)
Total Cost	\$ 10,740	\$ 49,009	\$ 43,210	\$ 24,326

Although County Board File #15-526 did not automatically extend the 1.5 percent wage increase to members of bargaining units, the appropriation included within File #15-526 was sufficient to cover such a raise for the current bargaining unit members. Therefore, there is no additional financial impact based on the wage increase in the current year (2015).

Since a 1.5 percent wage increase would inflate the base wage of these bargaining unit employees, it would therefore impact each subsequent year budget. Because the 2016 budget included 1.5 percent wage increase for all employees, there also is no resulting budgetary impact based on the wage increase for next year (2016).