

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: August 18, 2023

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: From the Chief Human Resources Officer, Department of Human Resources, requesting approval to implement a new, stepless compensation range structure for Business Support, Finance/Accounting, and Medical Examiner, and migrate non-represented employees to the new ranges effective Pay Period 15, beginning July 9, 2023, and authorizing the Office of Strategy, Budget and Performance and the Office of the Comptroller to process an appropriation fund transfer of up to \$427,337 from Org. Unit 1972 to affected departments to effectuate the new compensation plan.

FISCAL EFFECT:

- No Direct County Fiscal Impact
- Existing Staff Time Required
- Increase Operating Expenditures
(If checked, check one of two boxes below)
 - Absorbed Within Agency's Budget
 - Not Absorbed Within Agency's Budget
- Decrease Operating Expenditures
- Increase Operating Revenues
- Decrease Operating Revenues
- Increase Capital Expenditures
- Decrease Capital Expenditures
- Increase Capital Revenues
- Decrease Capital Revenues
- Use of contingent funds

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	\$427,337	\$854,674
	Revenue	\$0	\$0
	Net Cost	\$427,337	\$854,674
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. *The Department of Human Resources has worked with the contractor Newport Group and the Office of Strategy, Budget and Performance in developing a proposal to implement an entirely new, stepless compensation range structure as the next phase in transforming Milwaukee County's compensation. Upon approval, DHR will migrate all non-represented employees in three job families to new jobs in new salary ranges. effective PP 15 (July 9, 2023).*

B. *The annual salary and social security cost of moving these job families to new ranges is \$133,040. This represents the cost of moving 13 employees to the minimum of the new ranges. HR also intends to advance 203 employees through the range if this resolution is adopted. The resolution authorizes a fund transfer to move salary funding from a non-departmental account to impacted departments. The annual salary and social security cost of these 203 advancements is \$721,634. The total annual cost is \$854,674. Since the changes are effective July 2023, the fund transfer authorizes roughly half of this total cost or \$427,337.*

C. *There is a \$2.3M midyear tax levy allocation in the 2023 Budget ([Countywide Non-Dept – Strategic Program Area 8: Central Salary Costs](#)) that was set aside for compensation adjustments based on recommendations resulting from the Compensation Transformation Project.*

D. *FICA costs of an additional 7.65% have been added to the salary increase amounts.*

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.

Department/Prepared By Margo Franklin, Chief Human Resources Officer, DHR

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

Did CDBP Review?² Yes No Not Required