

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: August 24, 2021

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution authorizing and directing the Department of Human Resources to reallocate the pay grades of Correctional Officers, Youth Correctional Officers, Correctional Officer Sergeants, and Correctional Officer Lieutenants at the Milwaukee County Office of the Sheriff, the House of Correction, and the Vel R. Phillips Youth and Family Justice Center effective pay period 21, beginning October 3, 2021 and authorizing and directing an administrative transfer from the Appropriation for Contingencies to effectuate the changes.

FISCAL EFFECT:

- | | |
|---|---|
| <input type="checkbox"/> No Direct County Fiscal Impact
<input type="checkbox"/> Existing Staff Time Required
<input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below)
<input type="checkbox"/> Absorbed Within Agency's Budget
<input type="checkbox"/> Not Absorbed Within Agency's Budget
<input type="checkbox"/> Decrease Operating Expenditures
<input type="checkbox"/> Increase Operating Revenues
<input type="checkbox"/> Decrease Operating Revenues | <input type="checkbox"/> Increase Capital Expenditures
<input type="checkbox"/> Decrease Capital Expenditures
<input type="checkbox"/> Increase Capital Revenues
<input type="checkbox"/> Decrease Capital Revenues
<input checked="" type="checkbox"/> 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	\$3,078,566	\$16,602,422
	Revenue	\$0	\$0
	Net Cost	\$3,078,566	\$16,602,422
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

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. This resolution authorizes and directs the Department of Human Resources to reallocate the pay grades of Correctional Officers, Youth Correctional Officers, Correctional Officer Sergeants, and Correctional Officer Lieutenants working for the Milwaukee County Office of the Sheriff, the House of Correction, and the Vel R. Phillips Youth and Family Justice Center by providing 43 percent, 35 percent, and 32 percent increases for all pay steps, respectively, effective pay period 21, beginning October 3, 2021.
 - B. Reallocation of the pay grades for the remainder of 2021 would result in a cost of \$3,078,566. Appropriations of \$3,078,566 would need to be provided from the Contingency Fund for 2021. For 2022, the total cost of the reallocation would be \$16,602,422. Given the timing of this resolution, it is likely that the County Board would need to identify \$16,602,422 in funding either through new revenue or cuts to other services during the 2022 budget process to sufficiently fund this resolution.

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.

	2021	2022
COs only		
Criminal Justice Facility	\$ 1,265,327	\$ 5,449,362
House of Correction	\$ 1,029,357	\$ 4,531,575
Juvenile Detention	\$ 382,218	\$ 1,552,702
All non-COs		
CJF - CO LT	\$ 107,285	\$ 469,654
HOC CO LT	\$ 123,832	\$ 541,973
HOC CO SGT	\$ 126,546	\$ 554,116
SUBTOTAL	\$ 3,034,564	\$ 13,099,382
FICA	\$ 232,144	\$ 1,002,103
COUNTY PENSION		\$ 3,300,000
EMPLOYEE PENSION	\$ (188,143)	\$ (799,062)
TOTAL	\$ 3,078,566	\$ 16,602,422

- C. Since no budget authority exists for salary increases of this magnitude, contingency funding would be necessary to fund operations in the Office of the Sheriff, House of Corrections, and Department of Health and Human Services for 2021. As stated above, for 2022, it is likely that the County Board would need to identify \$16,602,422 in funding either through new revenue or cuts to other services during the 2022 budget process to sufficiently fund this action.

Costs by Department		
	2021	2022
Office of the Sheriff	\$ 1,392,515	\$ 6,010,760
House of Corrections	\$ 1,298,291	\$ 5,714,893
Department of Health and Human Services	\$ 387,760	\$ 1,576,769
All Departments		\$ 3,300,000
	\$ 3,078,566	\$ 16,602,422

(For 2022, an increase of \$3.3M related to pension costs would be distributed to all departments through the pension allocation methodology. Since this methodology is based on pensionable salary, a portion of these costs would be charged to the three affected departments since their salary costs will be higher, but not necessarily the full \$3.3M.)

- D. This fiscal note assumes that:
- That the workforce at the Criminal Justice Facility, House of Corrections, and Vel R. Phillips Youth and Family Justice Center will remain roughly the same as the current workforce. Increases in the workforce will result in an increase in costs from those estimated here.
 - This estimate assumes that there is no substantial change to current pay (both overtime and straight time) once this resolution is enacted. If overtime is reduced as a result of this action, costs could be less than those estimated here.
 - There are no compression or other salary related issues that emanate from this action. It is very likely that an action of this magnitude will create salary-related issues throughout the County that if included in this resolution, could substantially increase the cost of this action.

Department/Prepared By Office of the Comptroller, CJ Pahl

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required