

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: September 15, 2017

Original Fiscal Note ☒

Substitute Fiscal Note ☐

SUBJECT: A resolution By the Committee on Personnel, relating to an informational report from the Clerk of Circuit Court, Combined Court Related Operations, regarding the Department's pay equity plan.

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 checked="" type="checkbox"/> Absorbed Within Agency's Budget* | <input type="checkbox"/> Decrease Capital Revenues |
| <input checked="" 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 | |

**The resolution provides that funds may be provided from the Appropriation for Contingencies or, if available within existing appropriations, from departmental 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	\$70,010	\$227,534
	Revenue	\$0	\$0
	Net Cost	\$70,010	\$227,534
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.
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- A. Approval of this By the Committee resolution would approve the pay equity plan that was submitted as an informational report by the Clerk of Circuit Court, Combined Court Related Operations, and reviewed by the Committee on Personnel at its meeting on September 15, 2017. The Committee voted to adopt a By the Committee resolution to affirmatively approve the pay equity plan proposed by the Clerk of Circuit Court. Based on data provided by Court staff, the pay adjustments would affect 14 job classifications and 121 employees.
 - B. The Clerk of Circuit Court calculates the net cost of implementing these pay adjustments effective pay period 20 (September 10, 2017) as \$70,013. (Data submitted by the Clerk of Circuit Court originally proposed an effective date of July 30, 2017, or three pay periods earlier. That fiscal impact for 2017 was \$96,264 and is included in the information attached to this file). For 2018, the full year impact is projected to be \$227,534.
 - C. This resolution contemplates two options for funding the 2017 fiscal impact of \$70,013. 1) The County Board appropriates monies that are currently contained in the Appropriation for Contingencies to Combined Court Related Operations that were earmarked in the 2017 Budget for equity and merit pay adjustments, or 2) a determination is made that the Combined Courts Budget (Org. 2000) has adequate funds within its existing 2017 appropriations to cover the added cost for the remainder of the year. It should be noted that the Comptroller is reporting (File No. 17-619) a countywide deficit of approximately \$1.6 million based on financial reports through June 30, 2017. This figure assumes that the monies in the unallocated contingency budget will not be spent. To the extent that

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.

they are used, it will increase the projected deficit by a like amount. Combined Court Related Operations is projecting a year-end surplus of \$73,177 based on the June 30, 2017 report. Again, to the extent that these surplus funds are used to cover compensation increases, it will adversely impact the countywide projected deficit as they were already factored in the Comptroller's second quarter fiscal projection for 2017.

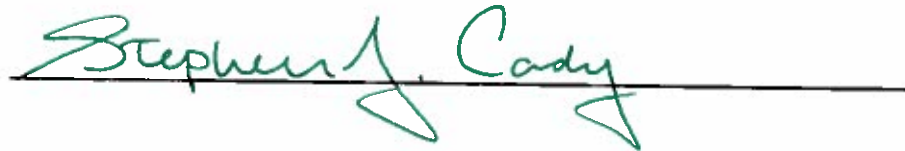
For 2018, cost for position actions approved by the County Board after the July cycle are typically not reflected in the County Executive's Recommended Budget for the subsequent year. The Committee on Finance and Audit reviews "Amendment 2" during the budget hearings which reflects personnel actions approved by the County Board after July. The Committee may appropriate funds to cover the additional personnel costs or, alternatively, direct the department to manage the higher costs within the salary appropriations provided in the Recommended Budget.

D. See note below.

NOTE: This fiscal note was prepared by staff in the Office of the Comptroller – Research Services Division based only on figures submitted by the Clerk of Circuit Court as part of an informational report outlining a pay equity plan within the department. The Committee on Personnel took an action to approve the pay equity plan at its meeting on September 15, 2017.

Department/Prepared By Steve Cady, Research and Policy Director, Office of the Comptroller

Authorized Signature



Did DAS-Fiscal Staff Review? ☐ Yes ☒ No

Did CBDP Review?² ☐ Yes ☐ No ☒ Not Required

