

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 02/05/2014 10:11:11 AM

DATE: February 5, 2014

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution authorizing and directing the rehiring of former displaced County housekeepers to service the Courthouse Facility

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 checked="" 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 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$440,655	\$665,932
	Revenue	\$22,745	\$35,007
	Net Cost	\$417,910	\$630,925
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.

Approval of this resolution authorizes and directs the Director, Department of Administrative Services, to designate that housekeeping services for the Courthouse Building will be provided by County employees. Currently these services are provided on a month-to-month contract with Mid-American Building Services at a monthly cost of \$35,407, or \$424,884 per year. Mid-American is also paid to clean the Criminal Justice Facility (\$8,337/month), Safety Building (\$14,171/month), Medical Examiner (\$2,439/month), City Campus (\$7,927/month), Vel Phillips Juvenile Justice Center (\$18,638/month), Children's Adolescent Treatment Center (\$6,414/month), Highway Facility (\$1,582/month), Fleet Services (\$1,583/month) and Facilities West (\$1,295/month).

This resolution authorizes the creation of 21 positions, including 19 Housekeepers, one Housekeeper In-charge and one Housekeeper Supervisor. The fiscal impact of this resolution assumes that the 19 Housekeepers would be hired at the 4th step (\$14.23/hr) in pay range 10Z, which is the current pay range for housekeepers at General Mitchell International Airport. This is a seven-step pay range from \$10.69/hour to \$16.63/hour, or \$22,245 to \$34,593 annually. The Housekeeper In-Charge position is assumed to be hired at the third step (\$17.18/hour) of pay range 12, which is the current pay range for In-Charge housekeepers at the Airport. This is a five-step pay range from \$15.99/hour to \$18.02/hour, or \$33,263 to \$37,481 annually. The Housekeeper Supervisor position would be hired at the third step of pay range 16 (\$19.06/hour). (Many former County housekeepers were at the top step of discontinued pay range 7-F when they were laid off in 2009. The hourly rate was \$14.65 at that time.)

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.

The Facilities Maintenance Manager estimates that, in addition to these 21 positions needed to approximate the cleaning standards included in the current contract with Mid-American, \$40,000 in cleaning supplies would be needed annually that are currently provided through the contract with Mid-American.

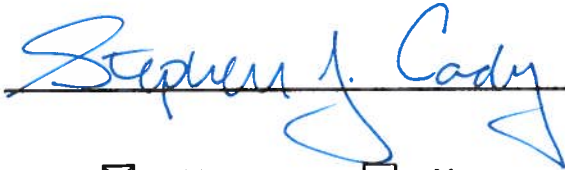
This fiscal note assume that the County employees would be hired at the beginning of pay period 10 (April 13, 2014) and that the monthly contract with Mid-American for cleaning the Courthouse would be terminated at the end of April 2014. Based on these assumptions, the additional cost to provide housekeeping services for the Courthouse building would be approximately \$417,910 more in 2014 if County employees were used and an additional \$630,924 for the full-year in 2015.

The assumptions for 2015 assume that the County employees would receive a step-increase after the 9th payroll period and that the Mid-American monthly cost would have remained the same at \$35,407 per month. Costs for County active healthcare are assumed at \$13,836 per year, and pension costs are calculated at 10.4 percent of salary, with employee pension contribution revenues calculated at 5.2 percent of salary.

If approved, this fiscal note assumes that an appropriation transfer would be necessary at some point in 2014 to realign expenditures within Org. 5700 – DAS - Facilities Management accounts to transfer funds within contractual accounts to personal services. In addition, the increased cost to provide this service would most likely require a transfer from Org. Unit 1945 – Appropriation for Contingencies at some point in 2014.

This revised fiscal note was written by the Research Services Division with the fiscal calculations provided by the Department of Administrative Services Office of Performance, Strategy and Budget (PSB) in anticipation of an amendment to add an additional position (Housekeeper Supervisor) and formally create the positions.

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

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required

