

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: May 27, 2020

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution establishing a Milwaukee County policy of recalling furloughed public workers, including seasonal staff, at 40 percent of work hours should employees experience significant delays in receiving unemployment insurance from the Wisconsin Department of Workforce Development

FISCAL EFFECT:

- | | |
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| <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 checked="" 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 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		
	Revenue		
	Net Cost	SEE NARRATIVE	
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.
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- A. If approved, this resolution would provide that any employee furloughed that does not receive a notification of eligibility for unemployment by the Wisconsin State Department of Workforce Development within two weeks of applying shall be reinstated to his or her position immediately for a minimum of four weeks at 40 percent of their regularly scheduled hours.
 - B. At the direction of the County Executive or other County elected officials, various employees have been furloughed as a mechanism to offset a projected \$34.0 million deficit. Certain employees have also been furloughed due to office closures and the inability to work remotely. Furloughs result in a direct savings to the County due to a reduction in salary and social security costs. Furloughs are being imposed on employees so that the administration and other elected officials can help mitigate the projected deficit through a reduction in salary and social security expenditures. To the extent that the administration and other elected officials are unable to furlough certain employees, the achievable savings due to furloughs is diminished and will likely have to be offset by other departmental cuts.
 - C. Approval of this resolution directs all department heads to immediately recall any employees who have not received notification of eligibility for unemployment compensation within two weeks of applying. Although the County's budget authorizes salary and social security dollars for payroll, certain departments are using furloughs to reduce the department's budgeted expenditure authority to mitigate the projected \$34.0 million deficit. Other departments have implemented furloughs due to office closures and the inability of certain employees in those offices to work remotely. If this resolution is approved, managers of employees furloughed due to office closures will either need to find appropriate work for those employees to conduct out of the office or pay those employees to remain home and not work.

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.

Additionally, departments will likely have to find alternative expenditure cuts to offset any foregone savings.

- D. There is no known comprehensive list of furloughed employees who have been deemed ineligible or who have not received a notice of eligibility within two weeks. Based on anecdotal evidence, it is assumed that there are some employees that have been either been denied unemployment compensation or have not yet received their eligibility determination and would be recalled to the County's payroll.

Department/Prepared By Cynthia (CJ) Pahl

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

Did CDBP Review?² Yes No Not Required