

**MILWAUKEE COUNTY FISCAL NOTE FORM**

**DATE:**        October 23, 2020

Original Fiscal Note       

Substitute Fiscal Note       

**SUBJECT:**    Risk Recognition Pay for High and Very High Risk Job Duties (v3)

**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<br>(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues     |
| <input type="checkbox"/> Absorbed Within Agency's Budget  | <input type="checkbox"/> Decrease Capital Revenues     |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget  |  |
| <input type="checkbox"/> Decrease Operating Expenditures  | <input type="checkbox"/> Use of contingent funds       |
| <input checked="" type="checkbox"/> Increase Operating Revenues   |  |
| <input type="checkbox"/> Decrease Operating Revenues  |  |

*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.*

|                                   | <b>Expenditure or Revenue Category</b> | <b>Current Year (2020)</b> | <b>Subsequent Year (2021)</b> |
|-----------------------------------|--|----------------------------|-------------------------------|
| <b>Operating Budget</b>           | Expenditure                            | SEE NARRATIVE              | 0                             |
|                                   | Revenue                                | 0                          | 0                             |
|                                   | Net Cost                               | 0                          | 0                             |
| <b>Capital Improvement Budget</b> | 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. <sup>1</sup> 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. Version 3 of this administrative order increases risk recognition pay from \$2 to \$4 per hour for employees subject to high exposure risk and from \$3 to \$6 for very high exposure risk. Circumstances for high risk and very high risk are defined in the administrative order.

B. The eligibility of an employee to receive Risk Recognition Pay will be determined by their specific job duties. As employee's job duties change or they perform different tasks during the course of their day, they may move from one exposure risk level to another. Leaders are expected to evaluate the risk of exposure of their employees and approve Risk Recognition Pay based on whether the duties performed by their employee results in a high or very high exposure risk to the COVID-19 virus.

Limited data is available to calculate the cost impact of this administrative order. In pay period 21, covering September 20 to October 3, 2020, approximately 598 hours of risk recognition pay were documented, at a salary cost of \$1,476. Version 3 of the administrative order increases the hourly rate, effective October 18, 2020. If risk recognition pay hours were to remain constant at 598 per pay period, the bi-weekly cost estimate increases by \$1,476, up to a total of \$2,952.

The cost of risk recognition pay is subject to change based on the number of staff hours worked.

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C. Sufficient funds to support this cost are budgeted in 2020. The cost can be funded from the County's CARES Act allocation of \$77.4 million which was approved by the County Board in File 20-557.

D. Federal guidance indicates that the CARES Act Coronavirus Relief Fund provides reimbursement for pay for individuals performing hazardous duty or work related to COVID-19. Risk Recognition Pay meets these criteria.

Authorized Signature Joseph Lamers

Did Fiscal Staff Review?       Yes       No  
Did CBDP Review? <sup>2</sup>       Yes       No       Not Required

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<sup>2</sup> Community Business Development Partners' review is required on all professional service and public work construction contracts.