



**COUNTY OF MILWAUKEE
INTEROFFICE COMMUNICATION**

DATE : April 4, 2019

TO : Chairman Theodore Lipscomb, Jr., County Board of Supervisors

FROM : Scott B. Manske, Comptroller 
Cynthia (CJ) Pahl, Financial Services Manager, Office of the Comptroller 

RE : Fiscal Impact of the Request to Amend Various Sections of the Milwaukee County Code of General Ordinances Related to Pay Adjustments

The Office of the Comptroller and Department of Human Resources are requesting to amend various sections of the Milwaukee County Code of General Ordinances (MCGO), to provide clarification and standardize various pay adjustments. These actions incorporate the compensation provisions of the contracts below into ordinance, or in some cases, increase the amounts provided under contract:

- AFSCME District Council 48 2007 – 2008 Contract
- Association of Milwaukee County Attorneys (Attorneys) 2009 – 2011 Contract
- International Association of Machinists and Aerospace Workers (Machinists) 2009 – 2011 Contract
- Federation of Nurses and Health Professionals (Nurses) 2012 Contract
- Technicians, Engineers, and Architects of Milwaukee County (TEAMCO) 2009 – 2011 Contract
- Milwaukee Building and Construction Trades Council (Trades) 2009 – 2011 Contract

These recommended changes either maintain status quo which results in no cost and no savings, or increases the amount provided for certain pay provisions which results in an insignificant cost to the County. These provisions are discussed in detail in the corresponding sections below:

Provision	Cost/(Savings)
Shift Differential	\$19,072
Weekend Differential	\$8,432
Standby Pay	\$8,765
Call-In Pay	\$0
Special Pay Adjustments	\$0
Paydays	\$0
Total Estimated Cost/(Savings)	\$36,269
Total All Wages - 2018	\$202,482,246
Percentage Increase	0.02 %

Section 1. Shift Differential
Fiscal Impact: \$19,072

Employee Group	FLSA Status	Contract / Ordinance	Proposed	Change
Attorneys	Exempt	None	None	\$0.00
DC48	Non-Exempt	\$0.40	\$0.40	\$0.00
Post Act 10 DC48	Non-Exempt	\$0.35	\$0.40	\$0.05
Post Act 10 DC48	Exempt	None	None	\$0.00
Machinists	Non-Exempt	\$0.35	\$0.40	\$0.05
Non-Represented	Non-Exempt	\$0.35	\$0.40	\$0.05
Non-Represented	Exempt	\$0.00	\$0.00	\$0.00
Nurses (Shift 2 / Shift 3)	Non-Exempt	\$2.50 / \$3.50	\$2.50 / \$3.50	\$0.00
Operating Engineers	Non-Exempt	\$0.35	\$0.40	\$0.05
TEAMCO	Non-Exempt	None	\$0.40	\$0.40
TEAMCO	Exempt	None	None	\$0.00
Trades	Non-Exempt	\$0.35	\$0.40	\$0.05

For clarification, "DC48" refers to DC48 employees that were hired before 2011 Wisconsin Act 10 took effect; "Post Act 10 DC48" refers to employees hired after Act 10. In most cases, employees hired post Act 10 were paid in accordance with non-represented pay policies.

Shift differential is the differential paid to employees for work performed outside of the typical first shift hours. This action implements a shift differential for all non-exempt FLSA employees of \$0.40 per hour, with the exception of nurses who earn a higher amount. This amount represents an **increase** for all FLSA non-exempt Post Act 10 DC48, Machinists, Non-Represented, Operating Engineers, TEAMCO and Trades. FLSA non-exempt interns, hourly and seasonals and all FLSA-exempt employees would be ineligible for shift differential.

Cost Implications:

- Attorneys: **None.** Attorneys were not entitled to shift differential under contract, and will remain ineligible for shift differential under the proposed ordinance.
- DC48: **None.** DC48 employees were entitled to a \$0.40 shift differential under contract, and will remain eligible for a \$0.40 shift differential under the proposed ordinance.
- Post Act 10 DC48 (Non-Exempt): **Increase.** Non-exempt Post Act 10 DC48 were entitled to a \$0.35 shift differential under ordinance, and will become eligible for a \$0.40 shift differential under the proposed ordinance.
- Post Act 10 DC48 (Exempt): **None.** These employees were not entitled to a shift differential under the ordinance, and will remain ineligible for shift differential under the proposed ordinance.
- Machinists: **Increase.** Machinists were entitled to a \$0.35 shift differential under contract, and will become eligible for a \$0.40 shift differential under the proposed ordinance. Machinists have been paid very little shift differential in the past two years, so the resulting cost is negligible.
- Non-represented (Non-Exempt): **Increase.** FLSA non-exempt, non-represented staff were entitled to a \$0.35 shift differential under ordinance, and will become eligible for a \$0.40 shift differential under the proposed ordinance.
- Non-represented (Exempt): **None.** FLSA exempt, non-represented staff were not entitled to a shift differential under ordinance, and will remain ineligible for shift differential under the proposed ordinance.
- Nurses: **None.** Nurses were entitled to a \$2.50 (2nd shift) / \$3.50 (3rd shift) shift differential under contract, and will remain eligible for the same shift differential under the proposed ordinance.
- Operating Engineers: **Increase.** Operating Engineers were entitled to a \$0.35 shift differential under ordinance, and will become eligible for a \$0.40 shift differential under the proposed ordinance.

- TEAMCO (Non-Exempt): **Increase**. Non-exempt TEAMCO employees were not entitled to a shift differential under contract, and will become eligible for a \$0.40 shift differential under the proposed ordinance. However, it is unlikely that this will apply to any employees due to current working shifts so the cost is negligible.
- TEAMCO (Exempt): **None**. FLSA-exempt TEAMCO employees were not entitled to shift differential under contract, and will remain ineligible for a shift differential under the proposed ordinance.
- Trades: **Increase**. Trades staff were entitled to a \$0.35 shift differential under contract, and will become eligible for a \$0.40 shift differential under the proposed ordinance.

This change would result in a total of \$19,072 in additional costs in future years as shown below:

	Average Hours	Additional Cost
Post Act 10 DC48 (non-exempt)	110,786	\$5,539
Machinists	14	\$1
Non-Represented (non-exempt)	213,983	\$10,699
Operating Engineers	50,399	\$2,520
Trades	6,254	\$313
Total Cost		\$19,072
<i>This analysis attempts to separate average hours attributable to Post Act 10 DC48 from non-represented employees for illustrative purposes only. Because these employees all receive the same increase in this pay adjustment, there is no fiscal impact of being in one category or the other.</i>		

Section 2. Weekend Shift Differential
Fiscal Impact: \$8,432

Employee Group	FLSA Status	Contract / Ordinance	Proposed	Change
Attorneys	Exempt	None	None	\$0.00
DC48	Non-Exempt	\$0.40	\$0.40	\$0.00
Post Act 10 DC48	Non-Exempt	\$0.35	\$0.40	\$0.05
Post Act 10 DC48	Exempt	None	None	\$0.00
Machinists	Non-Exempt	\$0.30	\$0.40	\$0.10
Non-Represented	Non-Exempt	\$0.35	\$0.40	\$0.05
Non-Represented	Exempt	None	None	\$0.00
Nurses	Non-Exempt	\$1.00	\$1.00	\$0.00
Operating Engineers	Non-Exempt	\$0.35	\$0.40	\$0.05
TEAMCO	Non-Exempt	None	\$0.40	\$0.40
TEAMCO	Exempt	None	None	\$0.00
Trades	Non-Exempt	\$0.30	\$0.40	\$0.10
<i>For clarification, "DC48" refers to DC48 employees that were hired before 2011 Wisconsin Act 10 took effect; "Post Act 10 DC48" refers to employees hired after Act 10. In most cases, employees hired post Act 10 were paid in accordance with non-represented pay policies.</i>				

Weekend differential is the differential paid to employees for work performed during weekend hours. This action implements a weekend differential for all non-exempt FLSA employees of \$0.40 per hour, with the exception of nurses who earn a higher amount. This amount represents an **increase** for all FLSA non-exempt Post Act 10 DC48, Machinists, Non-Represented, Operating Engineers, TEAMCO and Trades. FLSA non-exempt interns and seasonals and all FLSA-exempt employees would be ineligible for weekend differential.

Cost Implications:

- Attorneys: **None.** Attorneys were not entitled to weekend differential under contract, and will remain ineligible for weekend differential under the proposed ordinance.
- DC48: **None.** DC48 employees were entitled to a \$0.40 weekend differential under contract, and will remain eligible for a \$0.40 weekend differential under the proposed ordinance.
- Post Act 10 DC48 (Non-Exempt): **Increase.** Non-exempt Post Act 10 DC48 were entitled to a \$0.35 weekend differential under ordinance, and will become eligible for a \$0.40 weekend differential under the proposed ordinance.
- Post Act 10 DC48 (Exempt): **None.** These employees were not entitled to a weekend differential under the ordinance, and will remain ineligible for weekend differential under the proposed ordinance.
- Machinists: **Increase.** Machinists were entitled to a \$0.30 weekend differential under contract, and will become eligible for a \$0.40 weekend differential under the proposed ordinance.
- Non-represented (Non-Exempt): **Increase.** FLSA non-exempt, non-represented staff were entitled to a \$0.35 weekend differential under ordinance, and will become eligible for a \$0.40 weekend differential under the proposed ordinance.
- Non-represented (Exempt): **None.** FLSA exempt, non-represented staff were not entitled to a weekend differential under ordinance, and will remain ineligible for weekend differential under the proposed ordinance.
- Nurses: **None.** Nurses were entitled to a \$1.00 weekend differential under contract, and will remain eligible for the same weekend differential under the proposed ordinance.
- Operating Engineers: **Increase.** Operating Engineers were entitled to a \$0.35 weekend differential under ordinance, and will become eligible for a \$0.40 weekend differential under the proposed ordinance.
- TEAMCO (Non-Exempt): **Increase.** Non-exempt TEAMCO employees were not entitled to a weekend differential under contract, and will become eligible for a \$0.40 weekend differential under the proposed ordinance. However, it is unlikely that this will apply to any employees due to current working shifts so the cost is negligible.
- TEAMCO (Exempt): **None.** FLSA-exempt TEAMCO employees were not entitled to weekend differential under contract, and will remain ineligible for weekend differential under the proposed ordinance.
- Trades: **Increase.** Trades staff were entitled to a \$0.30 weekend differential under contract, and will become eligible for a \$0.40 weekend differential under the proposed ordinance.

This change would result in a total of \$8,432 in additional costs in future years as shown below:

	Average Hours	Additional Cost
Post Act 10 DC 48 (non-exempt)	52,768	\$2,638
Machinists	83	\$8
Non-Represented (non-exempt)	99,118	\$4,956
Operating Engineers	10,635	\$532
Trades	2,985	\$298
Total Cost		\$8,432

This analysis attempts to separate average hours attributable to Post Act 10 DC48 from non-represented employees for illustrative purposes only. Because these employees all receive the same increase in this pay adjustment, there is no fiscal impact of being in one category or the other.

Section 3. Standby Pay
Fiscal Impact: \$8,765

Employee Group	FLSA Status	Contract / Ordinance	Proposed	Change
Attorneys	Exempt	None	None	\$0.00
DC48	Non-Exempt	\$0.60	\$0.60	\$0.00
Post Act 10 DC48	Non-Exempt	None	\$0.60	\$0.60
Post Act 10 DC48	Exempt	None	None	\$0.00
Machinists	Non-Exempt	\$2.00	\$2.00	\$0.00
Non-Represented	Non-Exempt	None	\$0.60	\$0.60
Non-Represented	Exempt	None	None	\$0.00
Nurses	Non-Exempt	\$1.25	\$1.25	\$0.00
Operating Engineers	Non-Exempt	None	\$0.60	\$0.60
TEAMCO	Non-Exempt	None	\$0.60	\$0.60
TEAMCO	Exempt	None	None	\$0.00
Trades	Non-Exempt	\$0.55	\$0.60	\$0.05

For clarification, "DC48" refers to DC48 employees that were hired before 2011 Wisconsin Act 10 took effect; "Post Act 10 DC48" refers to employees hired after Act 10. In most cases, employees hired post Act 10 were paid in accordance with non-represented pay policies.

Standby pay is additional pay for employees required to be immediately available for duty. This action provides for standby pay for all non-exempt FLSA employees of \$0.60 per hour, with the exception of nurses and Machinists who earn a higher amount. This amount represents an **increase** for all FLSA non-exempt Post Act 10 DC48, Non-Represented, Operating Engineers, TEAMCO and Trades. FLSA non-exempt interns and seasonals and all FLSA-exempt employees would be ineligible for standby pay.

Cost Implications:

- Attorneys: **None**. Attorneys were not entitled to standby pay under contract, and will remain ineligible for standby pay under the proposed ordinance.
- DC48: **None**. DC48 employees were entitled to a \$0.60 standby pay under contract, and will remain eligible for a \$0.60 standby pay under the proposed ordinance.
- Post Act 10 DC48 (Non-Exempt): **Increase**. Non-exempt Post Act 10 DC48 were not entitled to standby pay under ordinance, and will become eligible for a \$0.60 standby under the proposed ordinance.
- Post Act 10 DC48 (Exempt): **None**. These employees were not entitled to standby pay under the ordinance, and will remain ineligible for standby under the proposed ordinance.
- Machinists: **None**. Machinists were entitled to a \$2.00 standby pay (also called pager pay) under contract, and will remain eligible for a \$2.00 standby pay under the proposed ordinance.
- Non-Represented (Non-Exempt): **Increase**. FLSA non-exempt, non-represented staff were not entitled to standby pay under ordinance, and will become eligible for a \$0.60 standby pay under the proposed ordinance. Since this group of employees has never been entitled to this pay adjustment, the financial impact for this category of employees could be more or less than that provided here.
- Non-represented (Exempt): **None**. Most FLSA exempt, non-represented staff were not entitled to standby pay under ordinance, and will remain ineligible for standby pay under the proposed ordinance. Those FLSA exempt positions that were eligible for standby pay under current ordinance will remain eligible for their respective standby pay.
- Nurses: **None**. Nurses were entitled to a \$1.25 standby pay under contract, and will remain eligible for a \$1.25 standby pay under the proposed ordinance.
- Operating Engineers: **Increase**. Operating Engineers were not entitled to standby pay under ordinance, and will become eligible for \$0.60 standby pay under the proposed ordinance. However,

it is unlikely that this will apply to any employees so the cost is negligible. Any standby paid for this group would likely be paid by the Airport and would have a revenue offset. Therefore, for purposes of this fiscal note, no fiscal impact is assumed for the Operating Engineers change.

- TEAMCO (Non-Exempt): **Increase**. Non-exempt TEAMCO employees were not entitled to standby pay under contract, and will become eligible for a \$0.60 standby pay under the proposed ordinance. However, it is unlikely that this will apply to any employees so the cost is negligible. Any standby paid for this group would likely be paid by the Airport and would have a revenue offset. Therefore, for purposes of this fiscal note, no fiscal impact is assumed for the TEAMCO change.
- TEAMCO (Exempt): **None**. FLSA-exempt TEAMCO employees were not entitled to standby pay under contract, and will remain ineligible for standby pay under the proposed ordinance.
- Trades: **Increase**. Trades staff were entitled to a \$0.55 standby pay under contract, and will become eligible for \$0.60 standby pay under the proposed ordinance.

This change would result in a total of \$8,765 in additional costs in future years as shown below:

	Average Hours	Additional Cost
Post Act 10 DC 48 (non-exempt)	3,440	\$2,064
Non-Represented (non-exempt)	5,929	\$3,557
Trades	62,875	\$3,144
Total Cost		\$8,765

Section 4. Call-In Pay

Fiscal Impact: \$0

Employee Group	FLSA Status	Contract / Ordinance	Proposed	Change
Attorneys	Exempt	None	None	0
DC48	Non-Exempt	3 hours	4 hours	1 hour
Post Act 10 DC48	Non-Exempt	None	4 hours	4 hours
Post Act 10 DC48	Exempt	None	None	0
Machinists	Non-Exempt	4 hours	4 hours	0
Non-Represented	Non-Exempt	None	4 hours	4 hours
Non-Represented	Exempt	None	None	0
Nurses	Non-Exempt	3 hours	4 hours	1 hour
Operating Engineers	Non-Exempt	None	4 hours	4 hours
TEAMCO	Non-Exempt	None	4 hours	4 hours
TEAMCO	Exempt	None	None	0
Trades	Non-Exempt	4 hours	4 hours	0

For clarification, "DC48" refers to DC48 employees that were hired before 2011 Wisconsin Act 10 took effect; "Post Act 10 DC48" refers to employees hired after Act 10. In most cases, employees hired post Act 10 were paid in accordance with non-represented pay policies.

Call-in pay provides 1.5 times regular pay for a guaranteed number of hours, regardless of actual hours worked for all non-FLSA exempt employees (except hourly, seasonal, and intern) when called in outside of normal working hours. An employee who is called in outside of normal working hours is paid the guaranteed number of hours or actual hours worked, whichever is greater. This amount represents an **increase** for all FLSA non-exempt DC 48, Post Act 10 DC48, Non-Represented, Nurses, Operating Engineers and TEAMCO employees. FLSA non-exempt interns, hourly and seasonals and all FLSA-exempt employees would be ineligible for call-in pay.

Cost Implications:

- Attorneys: **None**. Attorneys were not entitled to call-in pay under contract, and will remain ineligible for call-in pay under the proposed ordinance.
- DC48: **Increase**. DC48 employees were entitled to either three hours of call-in pay at 1.5 times pay or four hours of call-in pay at 1.5 times pay when on standby under contract, and will remain eligible for 4 hours of call-in pay with 1.5 times pay for four hours regardless of standby assignment under the proposed ordinance.
- Post Act 10 DC48 (Non-Exempt): **Increase**. Post Act 10 DC48 employees were not entitled to call-in pay under ordinance, and will become eligible for four hours of call-in pay with 1.5 times pay for the full four hours under the proposed ordinance.
- Post Act 10 DC48 (Exempt): **None**. These employees were not entitled to call-in pay under the ordinance, and will remain ineligible for call-in under the proposed ordinance.
- Machinists: **None**. Machinists were entitled to four hours of call-in pay with actual 1.5 times pay under contract, and will remain eligible for 4 hours of call-in pay with 1.5 times pay for the full four hours under the proposed ordinance.
- Non-Represented (Non-Exempt): **Increase**. FLSA non-exempt, non-represented staff were not entitled to call-in pay under ordinance, and will become eligible for four hours of call-in pay with 1.5 times pay for the full four hours under the proposed ordinance.
- Non-represented (Exempt): **None**. These employees were not entitled to call-in pay under the ordinance, and will remain ineligible for call-in under the proposed ordinance.
- Nurses: **Increase**. Nurses were entitled to 3 hours of call-in pay at 1.5 times pay under contract, and will become eligible for 4 hours of call-in pay with 1.5 times pay for the full four hours under the proposed ordinance.
- Operating Engineers: **Increase**. Operating Engineers were not entitled to call-in pay under ordinance, and will become eligible for four hours of call-in pay with 1.5 times pay for the full four hours under the proposed ordinance. Any call-in pay paid for this group would be paid by the Airport and would have a revenue offset. Therefore, for purposes of this fiscal note, no fiscal impact is assumed for the Operating Engineers change.
- TEAMCO (Non-Exempt): **Increase**. TEAMCO employees were not entitled to call-in pay under ordinance, and will become eligible for four hours of call-in pay with 1.5 times pay for the full four hours under the proposed ordinance. Any call-in pay paid for this group would be paid by the Airport and would have a revenue offset. Therefore, for purposes of this fiscal note, no fiscal impact is assumed for the TEAMCO change.
- TEAMCO (Exempt): **None**. These employees were not entitled to call-in pay under the ordinance, and will remain ineligible for call-in under the proposed ordinance.
- Trades: **None**. Trades staff were entitled to four hours of call-in pay with actual 1.5 times pay under contract, and will remain eligible for 4 hours of call-in pay with 1.5 times pay for the full four hours under the proposed ordinance.

Due to tracking abilities in the time and attendance system, determining what hours were previously worked under call-in pay is not possible. Therefore, calculating the impact of this proposed change is not possible. Although it will increase costs over the status quo, the actual amount will be driven year to year by operational need.

Section 5. Special Pay Adjustments

Fiscal Impact: \$0

This action maintains the status quo on the amount of differential paid to employees who are eligible for certain types of pay adjustments. Since the status quo is preserved, there is no impact to these ordinance changes. Those pay adjustments include:

- Rollback and wrecker equipment operation

- Painting
- Dog handling
- Crew leader
- Holiday pay for FNHP members

Section 6. Paydays

Fiscal Impact: \$0

This action moves pay dates from 12 days after the close of the pay period to six days after the close of the pay period. Although there may be an operational impact to this proposed change, there is no fiscal impact to the County.