

**COUNTY OF MILWAUKEE**  
INTEROFFICE COMMUNICATION

DATE : 5/11/2020

TO : Supervisor Marcelia Nicholson, Chair, County Board of Supervisors

FROM : Joe Lamers, Director, Office of Performance, Strategy, and Budget

SUBJECT : Estimated Fiscal Effect Premium Pandemic Pay and Furloughs

**OVERVIEW**

The County Board chair requested “a written report that quantifies the fiscal impact of the Premium Pandemic Pay in Administrative Order 20-12v1 (File 20-26) and the County furloughs outlined in the May 5 memo from Human Resources (File 20-359)”. This report is responsive to that request.

Item	Estimated Financial Impact
Premium Pandemic Pay	\$698,778
Premium Pandemic Pay Federal Reimbursement	(\$698,778)
Furlough / Work Share Savings	(\$3,258,741)
Total	(\$3,258,741)

The total estimated fiscal impact of the Premium Pandemic Pay (PPP) and Furlough / Work Share programs is a cost savings of \$3,258,741 through July 31, 2020.

**PREMIUM PANDEMIC PAY**

Administrative Order 21-12v2 authorizes additional compensation in the form of premium pay for employees supporting operations with increased exposure and risk to COVID-19. Employees with a risk of exposure that may increase or decrease during the workday earn an additional \$2.00 / hour in Tier 1 positions. Employees with a risk of exposure which is constant and may increase during the workday earn an additional \$3.00 / hour in Tier 2 positions.

The figures above assume the PPP adjustment is in effect from April 19, 2020 through May 26, 2020. If the administrative order authorizing this supplemental pay is extended past May 26, 2020, the cost to the County will be increased by about \$140,000 per week. However, it is anticipated that reimbursement from the Federal Government under the CARES Act Coronavirus Relief Fund will cover the cost of the Premium Pandemic Pay. Guidance released by the U.S. Treasury indicates that CARES Act funding is available to provide hazard pay to employees performing hazardous duty or work involving physical hardship, in each case that is related to COVID-19.

**FURLOUGHS / WORK SHARE**

The estimated savings from furloughs and work share programs are listed below. This estimate

assumes all current furlough and work share actions are in effect through the end of July. Other departments are currently in the application process for Work Share furloughs. If the applications are accepted and those departments choose to move forward, the amount of savings to the County will increase. Estimated bi-weekly savings from the current furlough programs are estimated to be \$426,403. Unfortunately, we don't know how long this pandemic will last so we don't have an end date for these furloughs but the status of furloughs will be reviewed no later than **July 31**. Administration's top priorities for when operations/programs can reopen are the safety of the employees, our community and budget status. If the furloughs were to remain in place until the end of July, the estimated savings from April through the end of July are estimated at \$3,258,741. This is subject to variation based on length of furlough as well as additional work share program applications being submitted.

#### Indefinite Furlough

<u>Department</u>	<u>Full-Time</u>	<u>Seas/Hrly</u>	<u>Total</u>	<u>Estimated Savings</u>
Human Resources	6		6	\$ 95,926
Courts	42		42	\$ 506,548
Treasurer	2		2	\$ 26,319
District Attorney	5	1	6	\$ 75,067
Parks		144	144	\$ 860,759
Zoo		53	53	\$ 302,590
<b>Total</b>	<b>55</b>	<b>198</b>	<b>253</b>	<b>\$ 1,867,209</b>

#### Intermittent Furlough

<u>Department</u>	<u>Full-Time</u>	<u>Seas/Hrly</u>	<u>Total</u>	<u>Estimated Savings</u>
DAS - Facilities	25		25	\$ 106,270
District Attorney	2		2	\$ 19,522
Parks		10	10	\$ 41,455
<b>Total</b>	<b>27</b>	<b>10</b>	<b>37</b>	<b>\$ 167,247</b>

#### WorkShare Furlough

<u>Department</u>	<u>Full-Time</u>	<u>Seas/Hrly</u>	<u>Total</u>	<u>Estimated Savings</u>
Human Resources	39		39	\$ 173,054
Treasurer	4		4	\$ 24,211
District Attorney	120	16	136	\$ 484,955
Parks	190		190	\$ 315,057
Zoo	114	1	115	\$ 227,008
<b>Total</b>	<b>467</b>	<b>17</b>	<b>484</b>	<b>\$ 1,224,285</b>