

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: 09/09/2020

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: Risk Recognition Pay Administrative Order

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
(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.

	Expenditure or Revenue Category	Current Year (2020)	Subsequent Year (2021)
Operating Budget	Expenditure	SEE NARRATIVE	0
	Revenue	0	0
	Net Cost	0	0
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.

A. Milwaukee County will provide additional compensation in the form of Risk Recognition Pay to employees who come into frequent/close contact with known COVID-19 positive individuals or whose duties require a high potential for exposure to known or suspected sources of COVID-19. This pay is eligible for reimbursement under the CARES Act Coronavirus Relief Fund which provides hazard pay for individuals performing hazardous duty or work related to COVID-19.

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 as defined by Occupational Safety and Health Association (OSHA).

Calculating the cost Risk Recognition Pay prior to implementation of this administrative order is challenging because we do not have data to estimate costs based on the above stated eligibility criteria. In April and May of 2020, the County provided Premium Pandemic Pay to individuals working in conditions with exposure to COVID-19. The cost of Premium Pandemic Pay was approximately \$259,000 per pay period. It is anticipated that Risk Recognition Pay will result in substantially lower costs than Premium Pandemic Pay, due to additional eligibility criteria. The

cost of Risk Recognition Pay will be monitored upon implementation. The expense will be funded from the County's CARES Act Coronavirus Relief Fund allocation.

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.

Department/Prepared By Joe Lamers, Director - Performance, Strategy, & Budget, DAS

Authorized Signature



Did Fiscal Staff Review? Yes No

Did CBDP Review? ² Yes No Not Required

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