

Correction Officer Premium Pay Request



MILWAUKEE
COUNTY

Request

- A \$3.00 per hour premium pay increase is requested for Correction Officer (CO) staff across the County to address staffing issues caused by competitive job market
- Proposed to become effective October 3, 2021 and remain in effect through the duration of 2022
- Item to be revisited in 2022 for future consideration (2023 and beyond)
- CO staff who are non-compliant with the County's vaccine mandate will not qualify for the premium pay increase
- Funded with contingency in 2021 and American Rescue Plan Act funds in 2022
- Max cost estimate: \$941k in 2021 and \$4.0M in 2022 if full compliance w/ Vaccine Order



Background

- Competitive job market has resulted in challenges filling and retaining CO staff
- Neighboring jurisdictions have increased CO pay which has compromised the County's ability to hire and retain staff in our facilities

Correction Officer Staffing Levels as of September 9, 2021 Payroll Period				
Department	Filled	Budgeted	Vacant	Vacancy %
Sheriff's Office	171	261	90	34%
House of Correction	182	234	52	22%
DHHS Juvenile Justice	62	74	12	16%
Total	415	569	154	27%



Cost Estimate and Funding

- 2021 Maximum cost estimate: \$941,238
 - Funding source: Appropriation for Contingencies
- 2022 Maximum cost estimate: \$4,039,955
 - Funding source: American Rescue Plan Act (ARPA)
- Pension cost impacts
 - 2022 cost estimate includes \$275k of pension costs
 - 2023 pension cost impact of \$1.1M as a result of 2022 payroll cost
- Actual costs are expected to be lower given that staff who are non-compliant with the vaccine mandate are not eligible for the premium pay increase
- Deadline for employees to submit vaccine verification is October 1 and more information about the rate of non-compliance will be available at this time



Vaccine Mandate for Milwaukee County

- Effective September 2, 2021, a Vaccine Mandate for Milwaukee County was issued by the County Executive (Admin Order 21-3)
- At its meeting on Sept. 17, 2021 the Finance Committee recommended support of Admin Order 21-3 to the County Board
- To be compliant with the Vaccine Mandate, employees must Complete Vaccination or have an approved medical or religious exemption
- Employees who fail to comply with the Vaccine Order face escalating consequences, including limitations on pay increases
- Vaccine Mandate is consistent with the County's vision to be the healthiest County in Wisconsin



Potential Funding for 2023 and Beyond

- It must be recognized that ARPA funds are temporary and are recommended to be applied primarily to non-recurring expenses.
- If the CO pay raises were to become permanent, tax levy funding would need to be identified in the future through a combination of options
 1. Add cost to 2023 budget gap estimates and factor that cost into tax levy targets distributed county-wide
 2. Identify targeted savings initiative(s) to offset the cost
 3. Revenue enhancements or improved revenue forecast
 4. Premium pay increase could be reduced or eliminated in 2023 if no funding becomes available



GFOA Guiding Principle for ARPA (Temporary Funding)

- *Temporary Nature of ARPA Funds.* ARPA funds are non-recurring so their use should be applied primarily to non-recurring expenditures.
 - Use of ARPA funds to cover operating deficits caused by COVID-19 should be considered temporary and additional budget restraint may be necessary to achieve/maintain structural balance in future budgets.



Potential Funding Beyond 2022

Potential Funding Scenarios for 2023 and Beyond (APRA vs Tax Levy)						
Year	Scenario 1: Convert to Tax Levy in 2023			Scenario 2: Phased Conversion to Tax Levy		
	Tax Levy	ARPA	Total	Tax Levy	ARPA	Total
2022		\$4.0	\$4.0		\$4.0	\$4.0
2023	\$5.1		\$5.1	\$1.7	\$3.4	\$5.1
2024	\$5.1		\$5.1	\$3.4	\$1.7	\$5.1
2025	\$5.1		\$5.1	\$5.1	\$0.0	\$5.1
Total (4 years)	\$15.3	\$4.0	\$19.3	\$10.2	\$9.1	\$19.3



ARPA Local Fiscal Recovery Fund: CO Pay provisions

- Allowable Uses
 - A. Support Public Health Responses
 - B. Address Negative Economic Impacts
 - C. Serving the hardest-hit communities and families
 - D. Provide Premium Pay for Essential Workers
 - E. Invest in Water, Sewer, and Broadband Infrastructure
 - F. Replace Public Sector Revenue Loss to support the cost of government services
- CO Premium pay increase is allowable under section D (premium pay) or section F (replace revenue loss).
- Recommendation to apply claims to section F (replace revenue loss)





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