



2010 Recommended Budget – Wage and Benefit Reforms

October 20, 2009

The cost of wages and benefits is much higher for Milwaukee County than for many in the private sector. Here in southeastern Wisconsin, state and local government employees receive a mean wage of \$26.24 per hour versus "private industry" workers who earn a mean wage of \$20.24 per hour. Clearly, the data from the federal Bureau of Labor Statistics does not include incentive wages that might be higher for private sector employees, but it also does not include the costs of benefits.

Nationally, the average employee pays just over \$3,500 annually for a family health plan while his or her employer pays over \$9,000 to cover the rest of the bill. Under the County's HMO plan, the employee pays \$840 per year and the employer (all of us taxpayers) pays over \$16,000. As mentioned in my budget address several weeks ago, we cannot maintain this type of imbalance.

This is why I am pushing for all employees to pay for 5% of their retirement and 15% of their health care costs.

In addition to these reasonable wage and benefit reforms, my 2010 budget also seeks to contract out services like housekeeping and security at the courthouse (**not** deputies in the Sheriff's Office). The U.S. government contracts out for security at the Reuss federal building and at the federal courthouse, so why can't we do it at the county?

Contracting out services will allow the county government to maintain vital services without the higher costs.

Scott Walker
Milwaukee County Executive