

COUNTY EXECUTIVE'S 2010 BUDGET

DEPT: WAGE AND BENEFIT MODIFICATION ACCOUNT

UNIT NO. 1972

FUND: General - 0001

BUDGET SUMMARY				
	2008 Actual	2009 Budget	2010 Budget	2009/2010 Change
Expenditures	\$ 0	\$ 0	\$ (41,616,948)	\$ (41,616,948)
Revenues	0	0	(9,589,569)	(9,589,569)
Property Tax Levy	\$ 0	\$ 0	\$ (32,027,379)	\$ (32,027,379)

BUDGET HIGHLIGHTS

This non-departmental presents the proposed wage and benefit modifications that are recommended for 2010. The total tax levy savings resulting from the reforms is \$32,027,379. Figures are presented here for illustrative purposes as the reductions are budgeted within each County department. Many of these modifications will require agreement with collective bargaining units for represented employees.

Salary Reform

- To provide long-term structural relief to the County's budget, employees' wages are reduced in 2010 by three percent and step increases are eliminated.
- All employees except deputy sheriffs, correctional officers and patient care under the Sheriff will be required to take either up to 12 furlough days (unpaid leave) or work up to 21 weeks on a reduced 35-hour weekly work schedule.

Overtime Reform

- Overtime pay will not be paid for hours in excess of eight during the workday unless the employee has exceeded 40 hours in the workweek. This is consistent with federal law and will provide consistency among Milwaukee County labor agreements.
- Employees will only receive overtime pay for hours worked instead of credited. This is consistent with federal law and will provide consistency among Milwaukee County labor agreements.
- Management will be provided with the discretion to either pay out overtime or allow deputy sheriffs and nurses to accrue the overtime as paid time off to provide staffing flexibility and reduce overtime cost
- Amend Chapter 17.16(1)(b) to eliminate overtime for salaried non-represented employees in positions that are exempt from the overtime requirements of the Fair Labor Standards Act (FLSA).

Health Benefit Reform

- Employees currently contribute \$35-\$75 per month towards healthcare costs. Employees will contribute 15% of the County's health care premium. The level of cost sharing is consistent with other counties that currently require employee contributions ranging from 10% to 15% and state government that currently requires employee healthcare contributions up to 16.75%.
- The out-of-network co-insurance co-payment will be increased from 20% to 30%. The County's HMO plan is less costly and migration from the PPO to the HMO will decrease health care costs long term.
- Deductibles for the PPO plan will increase by \$100 for a single and \$300 for a family plan.
- Out-of-pocket maximums for the PPO plan will increase by \$500 for single plans and \$1000 for family plans.
- Emergency room co-pays will increase to \$100 to reduce County costs associated with emergency room visits.

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- The CarePlus Dental Plan currently has unlimited benefits. Participants enrolled in the Care Plus DMO Dental Plan will have a \$1,500 annual limit on services consistent with the County's other dental plan.
- Participants who purchase 90-days (3 months) of prescription medication through mail order will pay 2½ co-pays rather than 1 co-pay. Participants will continue to receive a discount over retail pharmacy costs.

Pension Benefit Reform

- Employees eligible for pension benefits (regardless of vesting status) will contribute 5 percent of their annual salary to the County's pension system. This contribution is consistent with the national average for the public sector of 5 percent. Milwaukee County employees currently make no contribution towards pension benefits.