



City of Milwaukee Fiscal Impact Statement

A	Date <u>2/1/2021</u>	File Number <u>211166</u>	<input type="checkbox"/> Original	<input checked="" type="checkbox"/> Substitute
	Subject <u>Paid parental leave for Fire and Police Departments</u>			

B	Submitted By (Name/Title/Dept./Ext.) <u>Christopher Hillard, Fiscal Analyst Lead, City Clerk, 2170</u>
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C	This File	<input checked="" type="checkbox"/> Increases or decreases previously authorized expenditures.
		<input type="checkbox"/> Suspends expenditure authority.
		<input type="checkbox"/> Increases or decreases city services.
		<input checked="" type="checkbox"/> Authorizes a department to administer a program affecting the city's fiscal liability.
		<input type="checkbox"/> Increases or decreases revenue.
		<input type="checkbox"/> Requests an amendment to the salary or positions ordinance.
		<input type="checkbox"/> Authorizes borrowing and related debt service.
		<input type="checkbox"/> Authorizes contingent borrowing (authority only).
		<input type="checkbox"/> Authorizes the expenditure of funds not authorized in adopted City Budget.

D	Charge To	<input checked="" type="checkbox"/> Department Account	<input type="checkbox"/> Contingent Fund
		<input type="checkbox"/> Capital Projects Fund	<input type="checkbox"/> Special Purpose Accounts
		<input type="checkbox"/> Debt Service	<input type="checkbox"/> Grant & Aid Accounts
		<input type="checkbox"/> Other (Specify) _____	

E	Purpose	Specify Type/Use	Expenditure	Revenue
	Salaries/Wages	Paid Parental Leave	\$3,460,661.00	\$0.00
			\$0.00	\$0.00
	Supplies/Materials		\$0.00	\$0.00
			\$0.00	\$0.00
	Equipment		\$0.00	\$0.00
			\$0.00	\$0.00
	Services		\$0.00	\$0.00
			\$0.00	\$0.00
	Other		\$0.00	\$0.00
			\$0.00	\$0.00
	TOTALS		\$3,460,661.00	\$ 0.00

This statement is based on information provided by the Fire and Police Departments. As with general City employees, this analysis is based on the number of personnel who took FMLA leave for the birth of a child.

Fire Department: According to the Fire Department 29 Fire personnel took FMLA time for parental leave in 2020 and 45 took FMLA in 2021. Of these, 3 were civilian support staff that required no backfill. For the purposes of this analysis, we will use the higher figure (45). The average salary of these workers is \$79,149 per year (\$28.93 per hour, according to MFD). Fire personnel work between 96 to 120 hours per pay period, depending on how the scheduling for the 24-hours on, 48-hours off schedule works out. For this analysis, we will use the average of 108 hours. Any time over 106 hours is time and a half, so the average pay for a Fire personnel for a pay period is \$3,153. The current proposed parental leave ordinance covers 12 weeks of paid leave, which translates to 6 pay periods. That is \$18,920 per individual for the full 12 weeks. Multiplied by 45 individuals in a given year, that is \$851,410 of straight, base salary time that is being paid to individuals on leave.

According to the Fire Department, any absences that may result from parental leave would need to be filled on a 1:1, hour-for-hour basis with backfill. This means, at a minimum, the cost of backfill would be an additional \$851,410. Not all backfill results in overtime, however. While the Fire Department could not give a definitive answer, it (conservatively) estimates that, on average, half of any 24 hour backfill shifts would require 14 hours at time and a half. That is 58% of half of the backfill being paid at time and a half. This is an additional \$246,909, for a total of \$1,098,319. Added together, the cost of base salary for fire personnel on leave plus the cost of backfill and overtime comes to \$1,949,729 per year.

Police: According to the Police Department, 82 Police personnel took FMLA for parental leave in 2020 and 83 used FMLA for parental leave in 2021. For the purposes of this analysis, we will use the higher figure (83). Of these, 78 individuals were sworn personnel while 4 were civilians. The average annual salary for these workers is \$79,843 or \$3,070.90 per pay period. 6 pay periods covers 12 weeks, so the base salary cost for the average Police personnel using paid parental leave would be \$18,426. Multiplied by 82 individuals per year that is \$1,510,932.

Overtime costs for Police personnel present more of a challenge than overtime and backfill costs for MFD. While MFD staffing necessitates that any absences be filled with backfill, some of which at time and a half, according to Lieutenant Teresa R. Heidemann of the Milwaukee Police Department Medical Section, MPD has more of a capacity to absorb absences without the need for overtime, and furthermore, that the number of personnel out for parental leave at a given time is likely not large enough to create overtime needs:

“The total number for members gone due to the birth of a child per work location annually probably does not cause a staffing shortage great enough to cause OT. Work locations must meet minimum staffing and when members are out on FMLA, for any reason, they do not count towards staffing.”

While there is the possibility that parental leave may create the need for additional overtime, the best information we have indicates that absences created by parental leave are likely-able to be absorbed, at least to some extent, by the Department. It is worth noting that, because the proposed policy is 12 weeks, there will likely be not only more individuals taking leave, but the duration is also likely to be longer. This would create greater pressure that could necessitate overtime, although the extent is very difficult to calculate.

For expenditures and revenues which will occur on an annual basis over several years check the appropriate box below and then list each item and dollar amount separately.

G

1-3 Years 3-5 Years \$10,381,983 over 3 years.

1-3 Years 3-5 Years

1-3 Years 3-5 Years

H

List any costs not included in Sections D and E above. See Section F.

I

Additional information.

J

This Note Was requested by committee chair.