



**Department of Administration
Budget and Management Division**

Tom Barrett
Mayor

Sharon Robinson
Administration Director

Dennis Yaccarino
Budget and Management Director

May 4, 2020

Common Council
City of Milwaukee
200 East Wells St. – Room 205
Milwaukee, WI 53202

Dear Members;

The City will experience the loss of \$26.5 million in revenue from March through August due to the COVID-19 pandemic. A memorandum dated April 24, 2020 outlined the extent of this loss and the areas where the loss will be experienced. The significant loss in revenue creates a serious financial problem for the City that must be addressed.

The CARES Act provides the opportunity for the City to act quickly. Funding is provided in the Act that will allow the City to temporarily suspend or reduce services in areas where employees are unable to work (telework) and areas where capacity can be reduced without compromising the delivery of essential services during the emergency. The Department of Employee Relations has provided a letter providing the aspects of the program in greater detail.

Employees in the aforementioned areas are recommended for furloughs or work hour reductions in a manner that will generate savings to the City and will have minimal impact on the employees. It is important that the City take advantage of this opportunity immediately.

Furloughs and work share plans need to be implemented in a way that retains critical services. The Health, Police and Fire departments have not been included at this time because of their essential role in addressing the pandemic. All other departments were asked to submit plans that reflected the need to retain essential infrastructure and support services.

The Department of Public Works (DPW) provides critical services such as garbage collection, street maintenance, water purification and distribution, and the self-help facilities. These are examples of some of the critical services that will not be impacted by furloughs or work share plans. A relatively small number of employees in DPW will be included.

Several departments have closed to comply with the safer at home order and minimize the spread of COVID-19. These departments have identified opportunities to use temporary furloughs and work-share plans to address current service delivery considerations given the Governor's order, and the need to return employees to workplaces once restrictions are relaxed, like in the case of the Municipal Court. Library operations might see a more phased-in reopening with some services being reinstated on a staggered basis. Departments were asked to develop plans that reflected the reopening.

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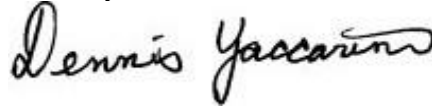
The recommendations take into account that there are departments that have been able to provide limited work to employees, because telework is simply not an option. These employees have continued to receive pay without charging their paid time off balances. Employees in other cases need access to business or residential properties. Furlough or work share plans are based on the ability of the employee to perform their job duties. The Department of Neighborhood Services has reviewed the type of inspection and the ability to perform that inspection in their work share plan.

Employee hours are being reduced to reflect the suspension of certain fees or citations, and others to a reduced demand. The suspension of enforcement of several parking restrictions has reduced the need for Parking Enforcement Officers. These employees will be reinstated when the suspensions are lifted.

Overall, the recommendation is to furlough 258 employees and place 516 employees into work share plans. The length of the furlough and work share will vary by department and position. The estimated savings is \$3.3 million. The attached table shows the number of employees furloughed, or put in work share plans, by department with the estimated savings.

It is important that the Common Council adopt the recommended furloughs and work share plans to begin to address the serious financial problem facing the City caused by the COVID-19 pandemic.

Sincerely,

A handwritten signature in black ink that reads "Dennis Yaccarino". The signature is written in a cursive, flowing style.

Dennis Yaccarino
Budget and Management Director

Attachment

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Coronavirus/furlough/Dept Furlough & Workshare plans/CC furlough letter.doc

Summary of Plans

	<u>Furlough</u>		<u>Workshare</u>		<u>Total</u>	
	<u>Positions</u>	<u>Savings</u>	<u>Positions</u>	<u>Savings</u>	<u>Positions</u>	<u>Savings</u>
Administration	3	\$29,391	8	\$27,162	11	\$56,553
Assessor's Office	3	11,262	0	0	3	11,262
BOZA	0	0	3	8,991	3	8,991
City Attorney	7	69,292	0	0	7	69,292
City Development	6	60,078	70	260,478	76	320,556
City Treasurer	0	0	0	0	0	0
City Clerk	5	47,181	22	141,935	27	189,116
Comptroller	5	113,688		0	5	113,688
Election Commission	0	0	2	6,423	2	6,423
Employee Relations	0	0	23	61,792	23	61,792
Fire and Police Commission	3	32,058	1	7,176	4	39,234
Fire Department	0	0	0	0	0	0
Health Department	0	0	0	0	0	0
Library	114	808,570	50	148,275	164	956,845
Mayor's Office	1	11,232	0	0	1	11,232
Municipal Court	9	58,445	10	41,199	19	99,644
Neighborhood Services	5	31,753	202	275,971	207	307,724
Police Department	0	0	0	0	0	0
Port Milwaukee	0	0	0	0	0	0
DPW-Administrative Services Division	0	0	21	92,580	21	92,580
DPW-Infrastructure Services Division	13	84,738	15	78,317	28	163,055
DPW-Operations Division	29	287,990	10	58,625	39	346,615
Total	203	\$1,645,678	437	\$1,208,925	640	\$2,854,603
<u>Non-O&M Departments</u>						
DPW-Water Works	0	\$0	58	\$270,781	58	\$270,781
DPW-Transportation	55	115,832	6	10,637	61	126,469
DPW-Sewer Maintenance	0	0	15	45,832	15	45,832
Employees' Retirement	0	0	0	0	0	0
Total Non-O&M Departments	55	\$115,832	79	\$327,250	134	\$443,082
Grand Total	258	\$1,761,510	516	\$1,536,175	774	\$3,297,684