



Office of the Comptroller  
Audit Services Division

# Milwaukee County

Jennifer L. Folliard  
Molly Pahl

- Director of Audits
- Deputy Director of Audits

**Date:** April 20, 2023  
**To:** Supervisor Marcelia Nicholson, Chairwoman, Milwaukee County Board  
**From:** Jennifer Folliard, Director of Audits  
**Subject:** Status Report - Minimum Wage Ordinance Memo

## Background

In March 2014, the Milwaukee County Board of Supervisors created Chapter 111 of the Milwaukee County Code of Ordinances which established a Minimum Wage Ordinance (MWO). Chapter 111 applies to both County employees and certain contractors doing business with Milwaukee County. Chapter 111 provides the framework for County departments to follow when contracting for services covered by the MWO and for subsequent contract monitoring. Our office reviews vendors' compliance with the ordinance.

We issued a three-year review of the Minimum Wage Program in December of 2017. The associated resolution indicating concurrence with the report recommendations was adopted by the County Board in February 2018.

Subsequent to the adoption of the resolution, 2017 Wisconsin Act 327, based upon Assembly Bill 748 was signed and became effective on April 18, 2018. It repealed Wis. Stat. 104.001(3), which permitted a local government (county, city, village or town) to enact and enforce ordinances mandating a minimum wage for its own employees and employees performing work under a contract for provision of services or funded by financial assistance from the local governmental entity. Act 327 prohibits Milwaukee County from entering into any new contracts requiring compliance with the minimum wage. It does not negate existing contracts with that requirement. As a result, we continue to report annually on MWO compliance for existing contracts subject to the MWO provision. This report covers calendar year 2022.

The County's Minimum Wage Program has two rate structures depending on when the contract was executed. Given the State legislative changes, rates for existing contracts are frozen at the amount as of April 2018, which was \$12.07 for contracts entered into prior to November 3, 2016 and \$13.01 for those entered into or after this date. Appendix 1 contains a table displaying the rates beginning in 2014.

## Existing compliance with Chapter 111 from January to December of 2022

While the state legislation effectively disallows any new contracts to require compliance with Chapter 111, we have continued to require submittal of payroll information to our office for those County contracts which contained a minimum wage requirement prior to the implementation of Act 327 in April 2018.

There were three contracts subject to the Minimum Wage Ordinance for the full year in 2022 and one contract subject for the first quarter only. These vendors provided payroll records with an average employee count of 255. Table 1 lists the vendors names, the relevant department, the type

of service and the average number of employees. We found all vendors to be in compliance with the ordinance. We reviewed the payroll data for employees on a quarterly basis for 2022 and found that all employees earned \$15.00 or more per hour.

<b>Vendor</b>	<b>Department</b>	<b>Type of Service</b>	<b>Employees</b>
Interflight Parking*	Airport	Concession - GMIA parking	59
First Transit	MCTS	Paratransit Transportation	115
Transit Express	MCTS	Paratransit Transportation	75
Service Systems Associates	Zoo	Concession	6
<b>TOTAL</b>			<b>255</b>

\*First quarter of 2022 only.

This status report is informational and due to the continued monitoring of contracts with minimum wage requirement, we plan to provide a status report in early 2024 containing wage data from 2023.

Jennifer Folliard, Director  
JLF/MRP

- cc:
- Scott B. Manske, CPA, Milwaukee County Comptroller
  - Milwaukee County Board of Supervisors
  - David Crowley, Milwaukee County Executive
  - Aaron Hertzberg, Director, Department of Administrative Services
  - Margaret Daun, Corporation Counsel, Office of Corporation Counsel
  - Kelly Bablitch, Chief of Staff, County Board Staff
  - Mary Jo Meyers, Chief of Staff, Milwaukee County Executive
  - Regina Flores, Director, DAS-Procurement Division
  - Stephen Cady, Research & Policy Director, Office of the Comptroller
  - Ciara Miller, Research Analyst, Office of the Comptroller
  - Janelle Jensen, Legislative Services Division Manager, County Clerk's Office
  - Allyson Smith, Committee Coordinator, County Clerk's Office

APPENDIX 1

<b>Minimum Wage Rates for Milwaukee County Contracts Before and After November 3, 2016</b>				
	MW rates for contract executed BEFORE November 3, 2016		MW rates for contract executed ON or AFTER November 3, 2016	
Year	Effective Date	Hourly Rate	Effective Date	Hourly Rate
2014	6/1/2014	\$11.47	N/A	N/A
2015	3/1/2015	\$11.66	N/A	N/A
2016	3/1/2016	\$11.68	11/3/2016	\$11.68
2017	3/1/2017	\$11.82	1/1/2017	\$12.35
2018	3/1/2018	\$12.07	1/1/2018	\$13.01
2019	3/1/2019	\$12.38	1/1/2019	\$13.67
2020	3/1/2020	Unknown	1/1/2020	\$14.34
2021	3/1/2021	Unknown	1/1/2021	\$15.00