



MEASURING COVID-19'S IMPACT ON AMERICA'S COUNTY WORKFORCE

MAY 2020

NACo's MISSION

Strengthen America's counties.

NACo's VISION

Healthy, safe and vibrant counties across America.

ABOUT NACo

The National Association of Counties (NACo) strengthens America's counties, serving nearly 40,000 county elected officials and 3.6 million county employees. Founded in 1935, NACo unites county officials to:

- **Advocate county priorities** in federal policymaking
- **Promote exemplary county policies** and practices
- **Nurture leadership skills** and expand knowledge networks
- **Optimize county and taxpayer resources** and cost savings, and
- **Enrich the public's understanding** of county government.



KEY TAKEAWAYS

1. America's counties collectively employ 3.6 million people.

- County employees include healthcare workers, first responders and law enforcement officers who are critical to the COVID-19 response.

2. More than 800,000 jobs were lost in the local government sector in April, as counties and cities were forced to lay off workers due to the economic strain of pandemic.

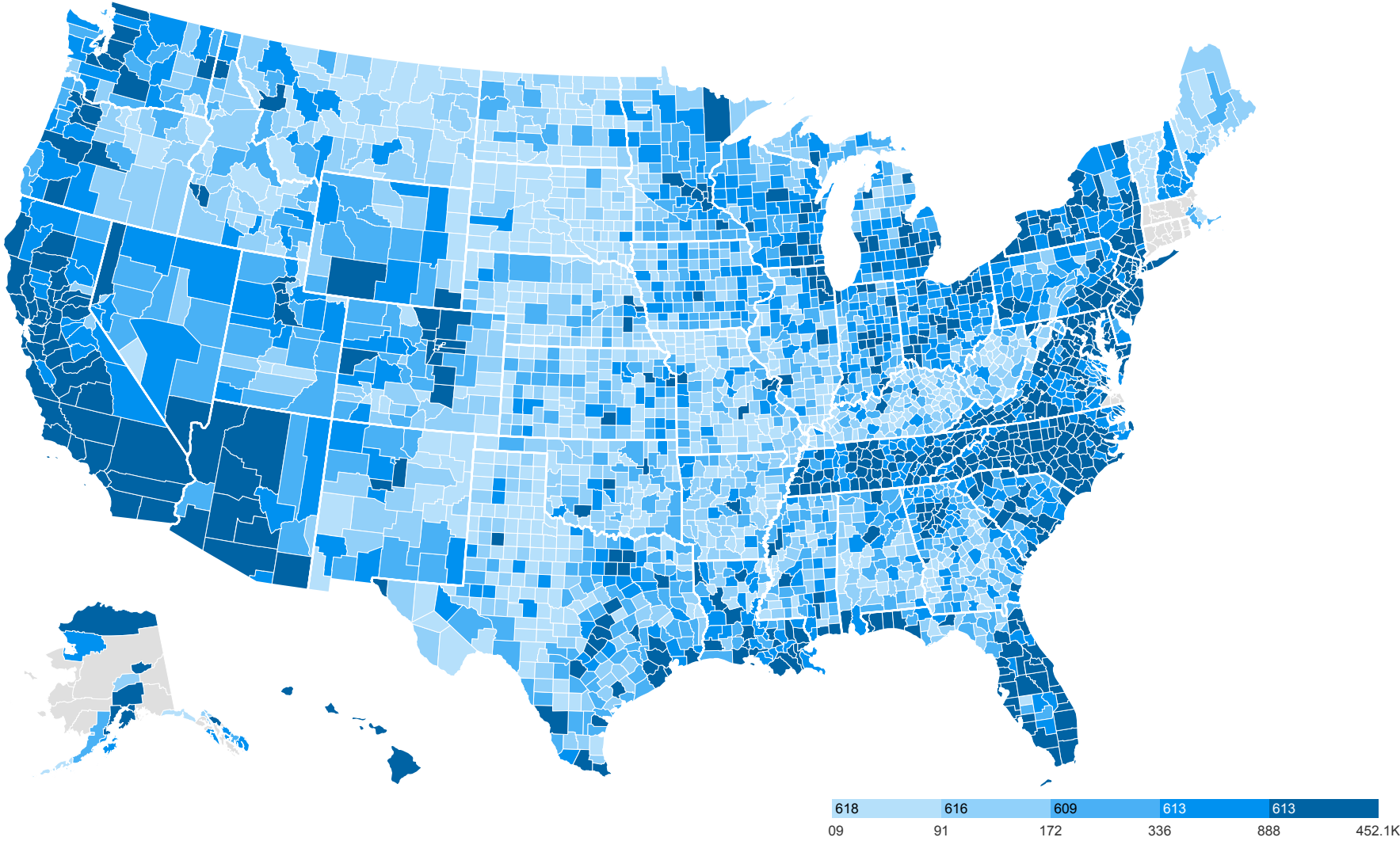
- School closures in April were a major contributor to job loss in the local government sector, but 332,000 non-education jobs were also lost among counties and cities.

3. Despite significant budget deficits, counties are working to mitigate further job losses and continue delivering essential services to residents.

4. Counties are supporting frontline workers by providing hazard pay, delivering personal protective equipment and taking other measures to support essential needs despite budgetary challenges.

AMERICA'S COUNTIES EMPLOY 3.6 MILLION WORKERS WHO ARE HELPING LEAD THE NATION'S RESPONSE TO COVID-19

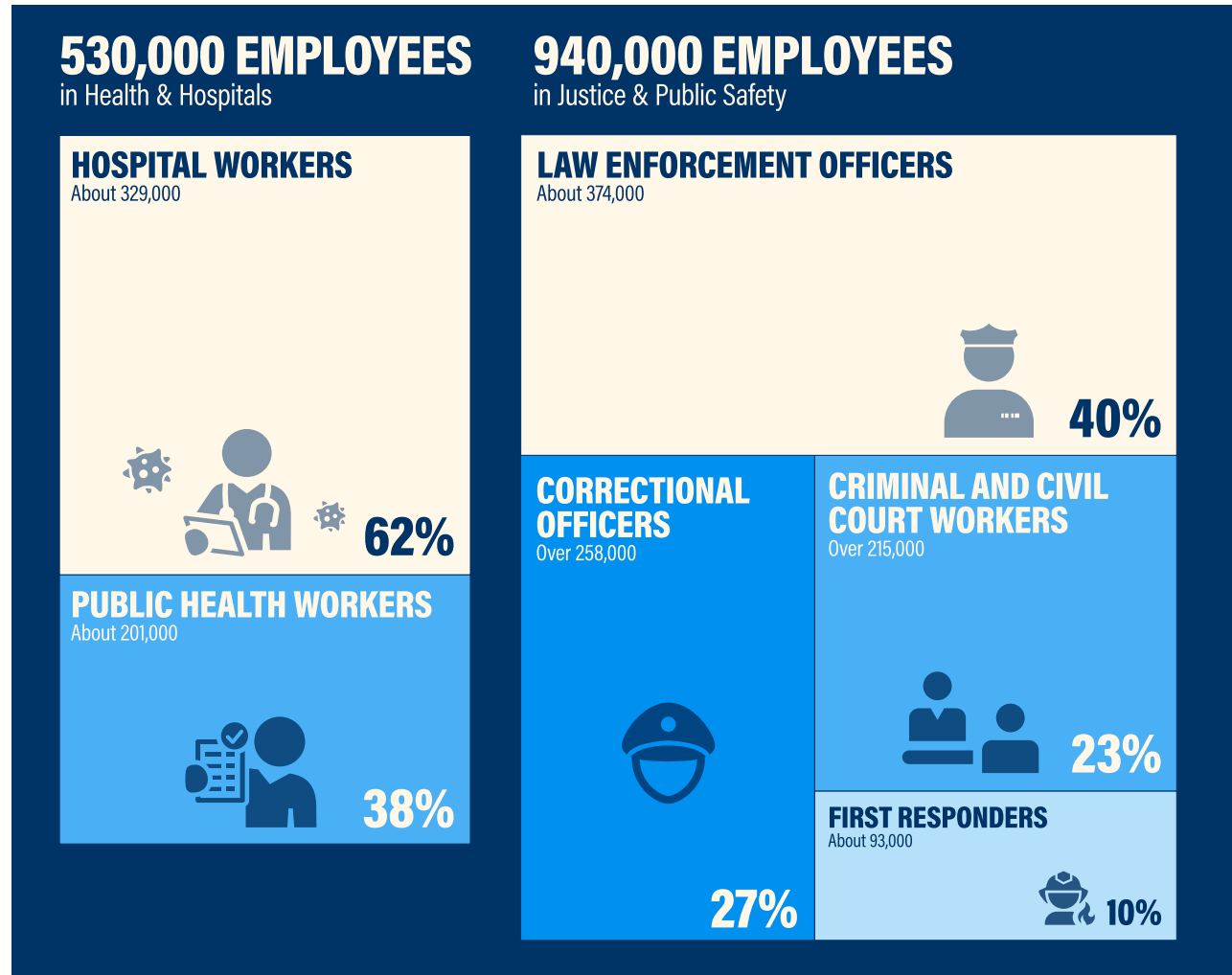
Number of County Employees



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

COUNTIES PROVIDE CRITICAL SERVICES TO LEAD COVID-19 RESPONSE EFFORTS

Breakdown of health & hospital and justice & public safety county employees



County workers are on the frontlines of the COVID-19 pandemic, operating 911 call centers, delivering emergency medical care, and ensuring the health and safety of residents. These include **328,841 hospital workers** that provide in-patient medical care and specialized care to residents.

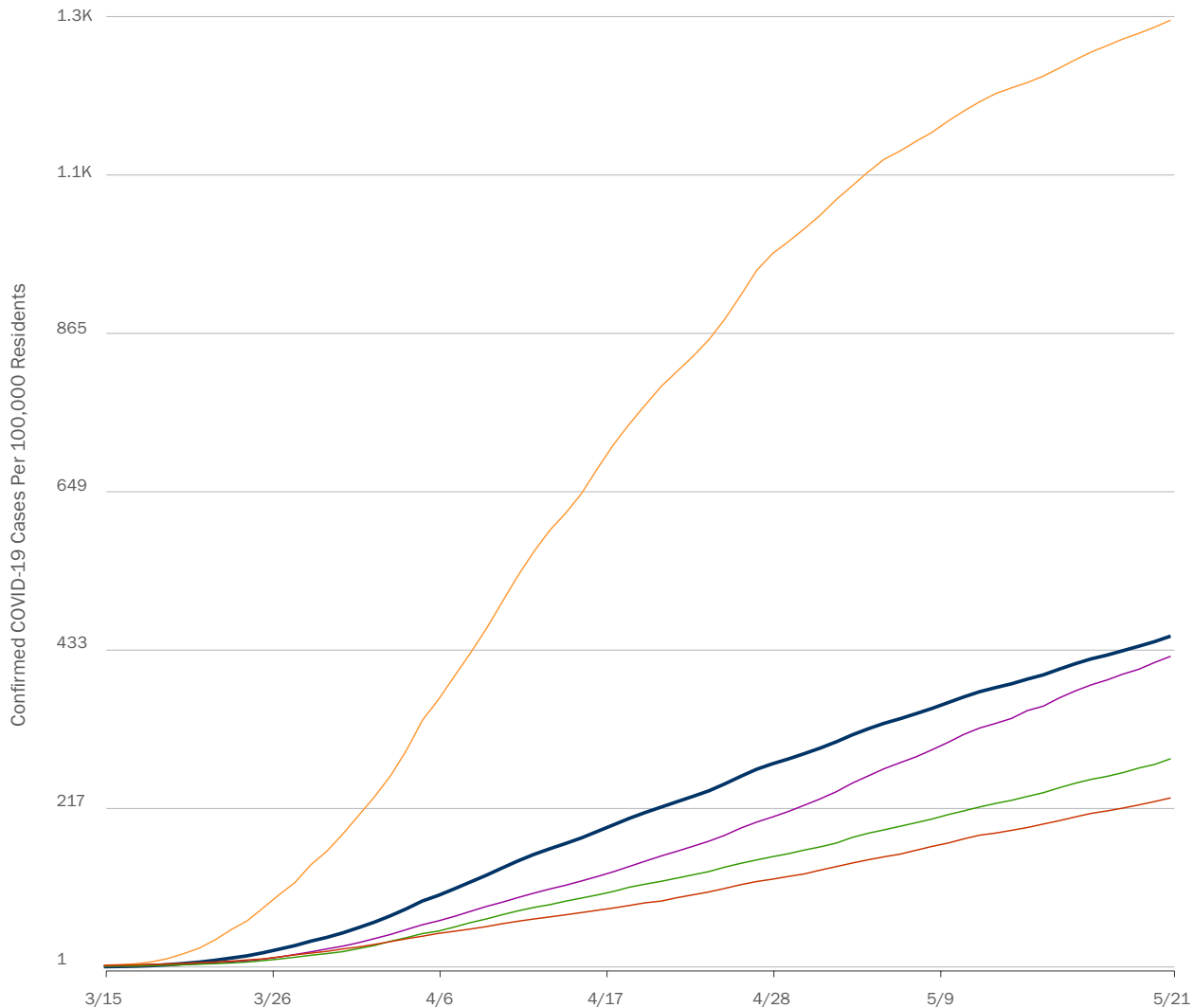
The county workforce also includes **374,066 law enforcement officers** working in police departments, sheriff and constable offices, as well as coroners and medical examiners.

An additional **93,170 first responders and emergency personnel**, including firefighters, paramedics and emergency medical technicians (EMTs) work for counties, too.

Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

COVID-19 SPREADS ACROSS THE U.S. AND DISRUPTS ECONOMY

Confirmed COVID-19 cases per 100,000 residents by census region



As of May 21, there were **more than 1.46 million confirmed cases of COVID-19** in jurisdictions across the United States (U.S.). The total number of U.S. cases represent a third of all confirmed global cases.¹

The highest number of cases have been reported in counties in the Northeast and South regions.

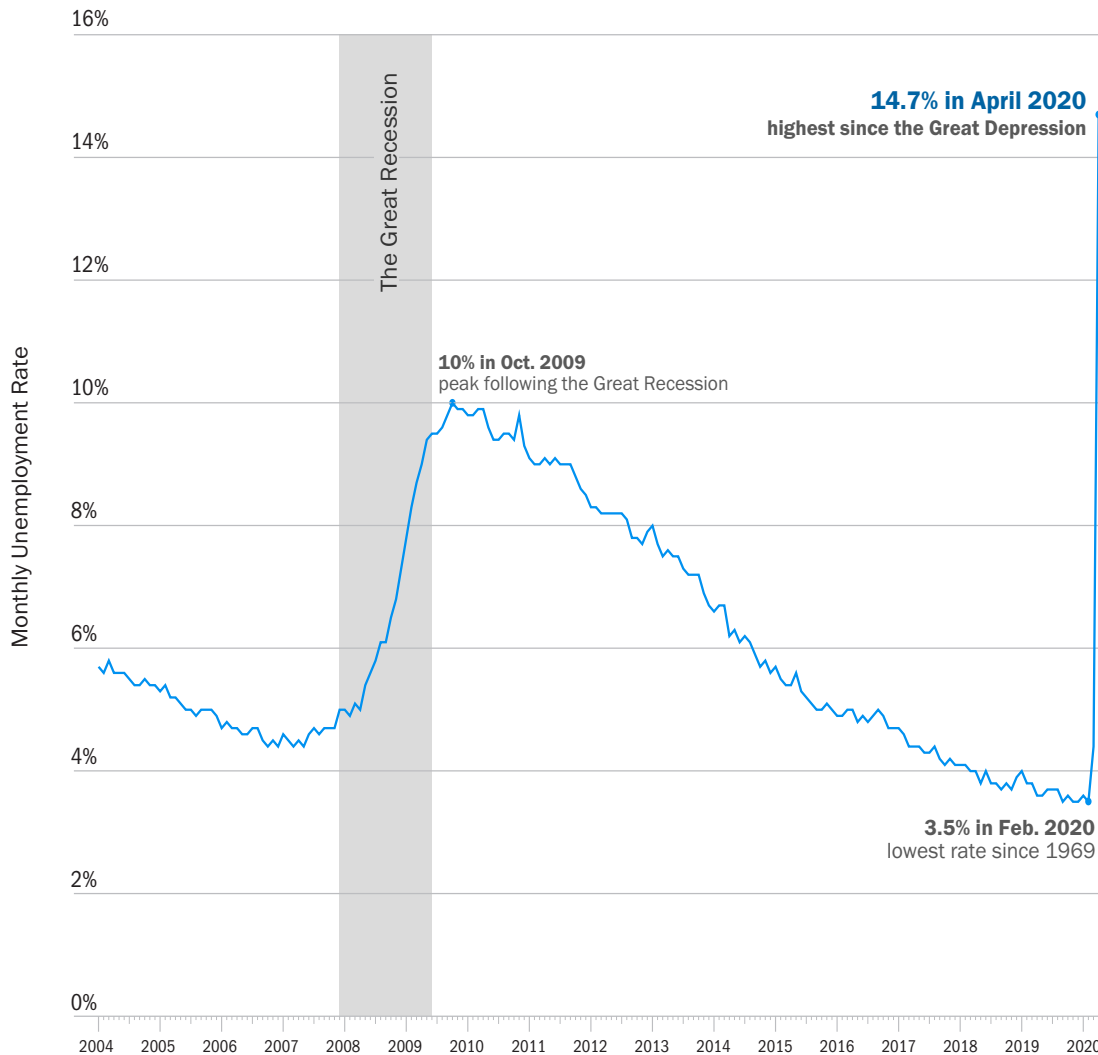
The pandemic has disrupted the global market and supply chains, overwhelmed public health infrastructures, weakened the national economy and **caused shocks across the labor market.**

- All Counties:** 461.1 per 100k residents
- Northeast:** 1,326.4 per 100k residents
- Midwest:** 433.9 per 100k residents
- South:** 290.2 per 100k residents
- West:** 235.3 per 100k residents

Source: NACo Visualization of New York Times Data, as of May 21, 2020.

PANDEMIC DISRUPTS LABOR MARKET, CAUSING WIDESPREAD UNEMPLOYMENT

U.S. unemployment rate, 2004-2020



Source: U.S. Bureau of Labor Statistics

The April jobs report from the U.S. Bureau of Labor Statistics (BLS) revealed the effects of the COVID-19 pandemic on the labor market, with **the unemployment rate increasing to 14.7 percent in April and the economy losing 20.5 million jobs.**²

More than 800,000 jobs were lost in local government alone.³ This includes 469,000 jobs lost from county and city education systems, stemming from school closures during the pandemic.⁴ The other **332,000 non-education jobs lost** include law enforcement officers, healthcare practitioners, social workers, maintenance crews and construction workers.⁵ For all government workers (federal, state and local), the unemployment rate rose to 9.4 percent – a massive increase from last April’s (2019) government worker unemployment rate of just 1.6 percent.⁶

All major industry sectors experienced job loss. **The leisure and hospitality sector suffered the most with a 7.7 million job decrease, according to BLS, signaling strain on industries that supply local tax revenues.**⁷ The tax base decline and local economic strain is reflected in county finances.

ECONOMIC STRAIN AND FISCAL PRESSURES FORCE LAYOFFS AND FURLONGHS

County layoffs and furloughs, by share of employees⁸

County	State	2017 County Expenditures	County Employees	No. of Furloughed or Laid Off Employees	Share of Employees Furloughed or Laid Off
Glacier County	Mont.	\$10,825,000	106*	53	50%
Lawrence County	Pa.	\$65,829,000	349	140	40%
Williamson County	Ill.	\$30,755,000	170	50	29%
Butler County	Pa.	\$164,829,000	631*	181	29%
Wyoming County	Pa.	\$28,123,000	212*	56	26%
Westmoreland County	Pa.	\$287,152,000	1,950	500**	26%
Franklin County	Pa.	\$80,418,000	633*	158	25%
Carbon County	Pa.	\$39,913,000	398*	97	24%
Broomfield City and County	Colo.	\$167,792,000	1,095	235	21%
Van Buren County	Ark.	\$12,316,000	160	34	21%
Indiana County	Pa.	\$60,827,000	510	100	20%
Adams County	Pa.	\$83,903,000	483	94	19%
Mifflin County	Pa.	\$27,303,000	214	42	19%
Clinton County	Pa.	\$31,596,000	271	49	18%
Wayne County	Pa.	\$45,887,000	477	77	16%
Armstrong County	Pa.	\$51,420,000	456	68	15%
Clearfield County	Pa.	\$28,583,000	286	42	15%
Clinton County	N.Y.	\$212,884,000	1,053	150	14%
Franklin County	N.Y.	\$109,064,000	742	100	13%
Jackson County	Mich.	\$214,445,000	753	100	13%
Cumberland County	Pa.	\$190,978,000	1,218	156	13%
Delaware County	Pa.	\$764,205,000	3,229	400	12%
Clarion County	Pa.	\$22,416,000	196	23	12%
Orleans County	N.Y.	\$69,883,000	343	40	12%
Centre County	Pa.	\$79,734,000	542*	63	12%
Pike County	Pa.	\$45,718,000	433*	50	12%

Counties across the U.S. are feeling the economic shocks created by the COVID-19 pandemic. With decreasing local business activity and resulting decreases in local taxes and fees, NACo estimates that counties are facing a collective \$114 billion revenue loss, which, combined with a projected \$30 billion increase in pandemic-related spending, will result in a total \$144 billion budgetary impact to counties through FY 2021.⁹

In response to this economic strain, some counties have been forced to adjust the size of their workforce. So far, **more than 80 counties have been forced to furlough or lay off county workers due to COVID-19 impacts on their budgets.**

Monroe County, Fla. announced that it would partially furlough or lay off between 30 to 100 workers for at least 16 weeks, resulting from massive budgetary impact to the tourism-rich county, which is home to the Florida Keys.¹⁰

Westmoreland County, Pa. furloughed 500 nonessential workers as the county used \$5.5 million of its surplus fund to balance its 2020 budget.¹¹ So far, the county has recalled approximately 30 workers part-time on an as-needed basis to assist with specific county operations and needs.¹²

Glacier County, Mont. is furloughing 50 percent of its workforce for 30 days to help balance its budget.¹³ The county was suffering financially even before the pandemic began, and COVID-19 worsened the county's fiscal challenges.¹⁴

Source: NACo Research, 2020; NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

COUNTIES WORKING TO MITIGATE JOB LOSS

REDUCED HOURS AND PAY CUTS TO KEEP EMPLOYEES WORKING AMID FISCAL CHALLENGES

Hamilton County, Ohio furloughed about 240 employees and issued a pay cut of 15 percent to all senior management and non-furloughed managers.¹⁵ The county estimates that these pay cuts, along with furloughs, will put about \$20 million to \$30 million back in its general fund.¹⁶

Washington County, Pa., called for 50 voluntary furloughs from its workforce to reduce operating costs.¹⁷ Employees that volunteer will be eligible to apply for unemployment insurance benefits, and the county committed to paying both the county's and the employee's share of health, dental and life insurance during the temporary layoff.¹⁸

Some counties are utilizing voluntary layoff aversion programs that allow workers to remain employed and allow employers to maintain staff levels during times of economic stress. **Cuyahoga County, Ohio**, will lay off more than 300 staff members working within the regional library system and reduce the hours of the county's unionized workforce and managers by 50 percent.¹⁹ In response, the county public library applied to a state layoff avoidance program, SharedWork Ohio, which allows nearly 560 employees to receive unemployment benefits even as they work reduced hours.²⁰



Image: Multnomah County, Ore. Commissioner Jessica Vega Pederson (right) tours her county's EOC. April, 10.

ESSENTIAL COSTS STACK UP AMID BUDGET CONSTRAINTS

COUNTIES PROVIDE HAZARD PAY AND SERVICES FOR FRONTLINE WORKERS IN COVID-19 RESPONSE

Essential workers like first responders, healthcare workers, correction and jail officers and public works employees in counties across the country are facing unprecedented risks as they continue to serve their communities during the pandemic. Counties are attempting to reconfigure their already stressed budgets to provide hazard pay or temporary pay raises during this time.

Henry County, Ga. created a two-tiered plan for employees on the frontlines of the COVID-19 pandemic.²¹ First, “level one” essential employees—such as police and fire departments, 911 operators, transit workers and meals on wheels providers -will receive up to \$2.50 extra per hour.²² “Level two” essential employees will receive an extra \$1.50 per hour; these employees include permit clerks and parks and recreation administration staff. County officials estimate that will cost as much as \$800,000 and will be funded through its general fund.²³

Dallas County, Texas, which employs over 6,500 workers, approved a temporary pay increase of \$120 a week for all non-exempt employees who are first responders or health care workers, despite an expected \$25.9 million budget shortfall due to falling tax revenue and other COVID-19 expenses.²⁴

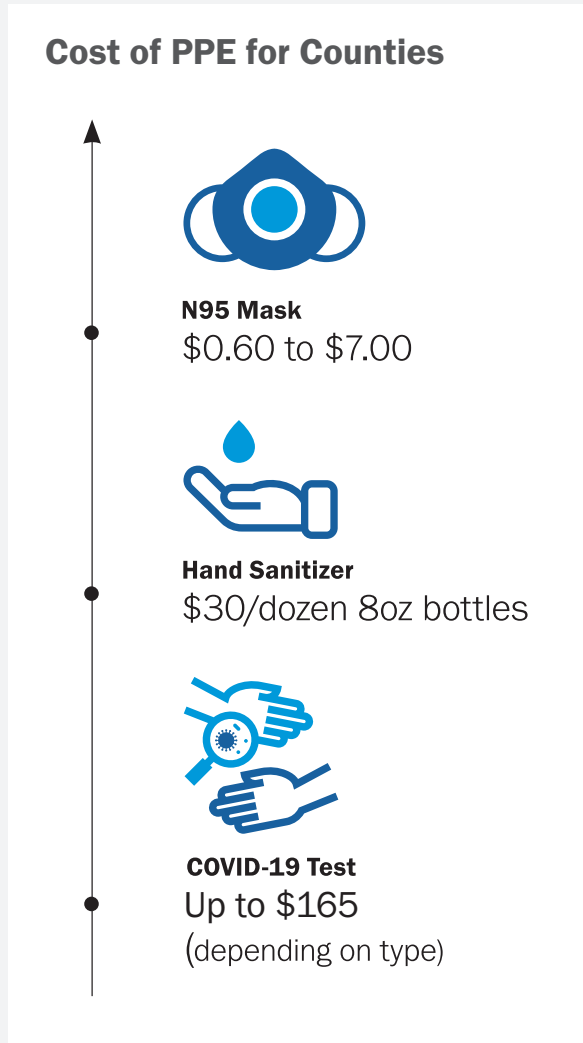
Instead of increasing hourly pay or extending a one-time bonus that could cost the county as much as \$500,000, **Clayton County, Ga.** implemented a Pay Plus Annual Leave program to give essential workers one hour of vacation time for every hour they work during the

public emergency.²⁵ Employees will be given the chance to use that vacation time after the emergency passes, by rolling those hours over to the following year.²⁶ Hours can also be cashed in for a lump sum payment if an employee leaves or retires.²⁷



COUNTIES WORKING TO PROTECT FRONTLINE WORKERS

COUNTIES DELIVER PERSONAL PROTECTIVE EQUIPMENT (PPE) TO FRONTLINE WORKERS AT STEEP COST



From collecting vital medical supplies from residents to supporting local businesses in shifting production, counties are finding innovative ways to provide life-saving personal protective equipment (PPE) to ensure frontline workers' safety and wellbeing. PPE, however, has become a significant expenditure for many counties. On PPE alone, **Erie County, N.Y.**, spent over \$17 million, **Orange County, Calif.**, spent \$15.5 million and **Ramsey County, Minn.**, spent over \$1.7 million.²⁸

Oakland County, Mich. created a \$700,000 grant fund seeking local companies that can produce PPE for county health workers.²⁹ The "Saving Business, Saving Lives" grant provides immediate capital for Oakland County companies to ramp up production of PPE.³⁰ Many of the county's more than 500 businesses are involved in clothing, sewing manufacturing, plastics manufacturing, 3D printing, automotive supplies and paint supplies.³¹ This grant helps these businesses transition to PPE manufacturing, investing in the local economy while simultaneously supporting health care professionals and first responders in need of the equipment.³²

In **Wilson County, Texas**, librarians discovered 3D printable mask plans on a "Make the Masks" website and are now using the facility's 3D printer to create essential PPE while saving the county the money it would have had to use to buy masks.³³ So far, the county librarians have delivered three dozen masks to hospitals and two emergency services districts, and they continue to print masks.³⁴

Some counties are shifting service provision to limit health workers' need for PPE and avoid these large expenditure increases. In **Ventura County, Calif.**, the Behavioral Health Crisis Team moved psychiatric evaluations for ER patients to Zoom video conferencing to mitigate PPE shortages.³⁵ The county continues to provide crisis and ongoing therapeutic treatment both in the individual and group format for residents in need.³⁶

Source: NACo Research, 2020

LOOKING AHEAD: COUNTIES STRUGGLING TO RETAIN WORKFORCE THAT IS CRITICAL TO NATION'S COVID-19 RESPONSE AND RECOVERY

FURTHER IMPACTS TO COUNTY WORKFORCE EXPECTED AS LEADERS LOOK AHEAD

County employees represent a significant portion of the American labor force and provide critical services in local communities throughout the nation. As the COVID-19 pandemic unfolds, the county workforce is playing a central role in containing the virus through hundreds of thousands of frontline healthcare practitioners, emergency responders and law enforcement officers.

Nonetheless, the severe fiscal impacts of the COVID-19 pandemic are forcing county leaders to make difficult staffing decisions in light of often unprecedented budget deficits and state-mandated budget balancing requirements. Despite innovative strategies to avoid layoffs, many counties have already been forced to significantly reduce staffing levels. As the pandemic continues and county reserves and revenues are further depleted, more layoffs and furloughs are inevitable.

America's response to COVID-19 and its recovery from the pandemic will depend in significant part on the ability of local governments to protect our residents and safely restart our local economies. Now more than ever, a strong federal-state-local partnership is essential to ensuring the health, safety and prosperity of our nation's communities.

ENDNOTES

Contact Research@NACo.org for more information.

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ENDNOTES (CTD.)

Contact Research@NACo.org for more information.

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