

# **Options to Expand City of Boulder Living-Wage Resolution 926**



**CITY COUNCIL MEETING  
FEBRUARY 16, 2015**



# Background



- Resolution 926 implemented in 2003
- Established Living Wage for all standard full time employees at 120 percent of Federal Poverty Guidelines
- Updated each year with publication of new FPG in February
- Current Living Wage is \$14.02
- CMO appointed staff working group in 2015 to look at the current Living Wage Resolution 926
- Staff recommendations (page 139)
- Executive Action to extend living wage to all part-time and temporary employees effective Feb. 1, 2016

# BACKGROUND



- Human Relations Commission (HRC) Public Hearing December 17, 2015
- Recommended using the Colorado Center on Law and Policy Self Sufficiency Standard instead of FPG as the Living Wage rate
- HRC recommendations (page 140)

# **STAFF RECOMMENDATIONS**

## **1. Conduct Analysis of Impacts of Part-time and Temporary Employees at \$17.97/hour**

Conduct a detailed analysis to more fully determine the costs and impacts of extending Living to standard part-time and temporary employees at the SSS rate of \$17.97/hr.

# STAFF RECOMMENDATIONS

## **2. Conduct Analysis of Impacts of Extending Living Wage to Seasonal Workers**

Conduct a detailed analysis to more fully determine costs and impacts of extending Living Wage at \$14.02/hr *and* at the SSS for a family of four with two working adults (\$17.97/hour per adult), to include the city's seasonal workers.

# **STAFF RECOMMENDATIONS**

## **3. Janitorial and Landscaping Contracts**

Extend Living Wage requirement to janitorial and landscaping service contracts with the city to meet current wage rates identified in Resolution 926, effective 2016. That rate is currently \$14.02.

Conduct additional analysis to determine the costs and impacts of extending Living Wage to \$17.97/hr.

# STAFF RECOMMENDATIONS

## **4. Conduct Analysis of Impacts for Other Contracts with the City**

Conduct a detailed analysis to more fully determine costs and impacts of extending Living Wage to other contracts, in addition to janitorial and landscaping, at \$14.02/ hr *and* the SSS for a family of four with two adults (\$17.97/hr for one adult).

# **STAFF RECOMMENDATIONS**

## **5. Repeal State Statute**

Participate in statewide efforts to repeal Colorado Revised Statute (CRS) section 8-6-101, the law that prohibits municipalities from establishing minimum-wage laws higher than the state minimum.

# **STAFF RECOMMENDATIONS**

## **6. Analyze Other Social Policy Options**

**Conduct an analysis of additional social policy options to achieve similar goals of Living Wage in the broader community.**

# **Decision Points and Next Steps**

- 1. Ratify Executive Action**
- 2. Determine wage rates and categories applied to (Chart 6, page 156)**
- 3. Bring back analysis in 2<sup>nd</sup> Q for council action and 2017 budget development**

# Questions



# Summary of Living Wage Options

Options	Categories						
	Part-Time and Temporary Employees	Seasonal Employees	Contractors-Janatorial and Landscape	Other Contractors- For Profits, Nonprofits, Governments, BVSD	Bring Janatorial and Landscape Services In-House	Bring EMS In-House	Other Options
Analysis of Living Wage at \$14.02	Complete: Implemented 2/1/16	A	B Implement in 2016	C	D	E	
Analysis of Living Wage at \$15.67	F	G	H	I	J	K	
Analysis of Living Wage at \$17.97	L	M	N	O	P	Q	
Other Social Policy Options							R Subsidies: Food, Transportation, Child Care, Housing, or other
Legislative Agenda: Repeal CRS 8-6-101							S

Recommended by:	Staff	BSSC	Staff + HRC	Staff + HRC + BSSC	Additional Analysis for Consideration
-----------------	-------	------	-------------	--------------------	---------------------------------------

# The Self-Sufficiency Standard for Select Family Types\*

MONTHLY COSTS	ONE ADULT		ONE ADULT, ONE PRESCHOOLER		ONE ADULT, ONE PRESCHOOLER, ONE SCHOOL-AGE		TWO ADULTS, ONE PRESCHOOLER, ONE SCHOOL-AGE	
	Costs	%	Costs	%	Costs	%	Costs	%
Housing	\$996	42	\$1,232	26	\$1,232	22	\$1,232	19
Child Care	\$0	0	\$1,129	24	\$1,654	29	\$1,654	26
Food	\$295	13	\$448	9	\$675	12	\$926	15
Transportation	\$279	12	\$287	6	\$287	5	\$544	9
Health Care	\$146	6	\$413	9	\$434	8	\$485	8
Miscellaneous	\$172	7	\$351	7	\$428	8	\$484	8
Taxes	\$464	20	\$1,001	21	\$1,209	21	\$1,267	20
Earned Income Tax Credit (-)	\$0	0	\$0	0	\$0	0	\$0	0
Child Care Tax Credit (-)	\$0	0	(\$50)	-1	(\$100)	-2	(\$100)	-2
Child Tax Credit (-)	\$0	0	(\$83)	-2	(\$167)	-3	(\$167)	-3
<b>TOTAL PERCENT</b>		<b>100</b>		<b>100</b>		<b>100</b>		<b>100</b>
<b>SELF-SUFFICIENCY WAGE</b>								
HOURLY**	\$13.36		\$26.86		\$32.12		\$17.97	per adult***
MONTHLY	\$2,351		\$4,727		\$5,653		\$6,325	combined***
ANNUAL	\$28,209		\$56,718		\$67,837		\$75,906	combined***
EMERGENCY SAVINGS FUND	\$31		\$97		\$149		\$53	

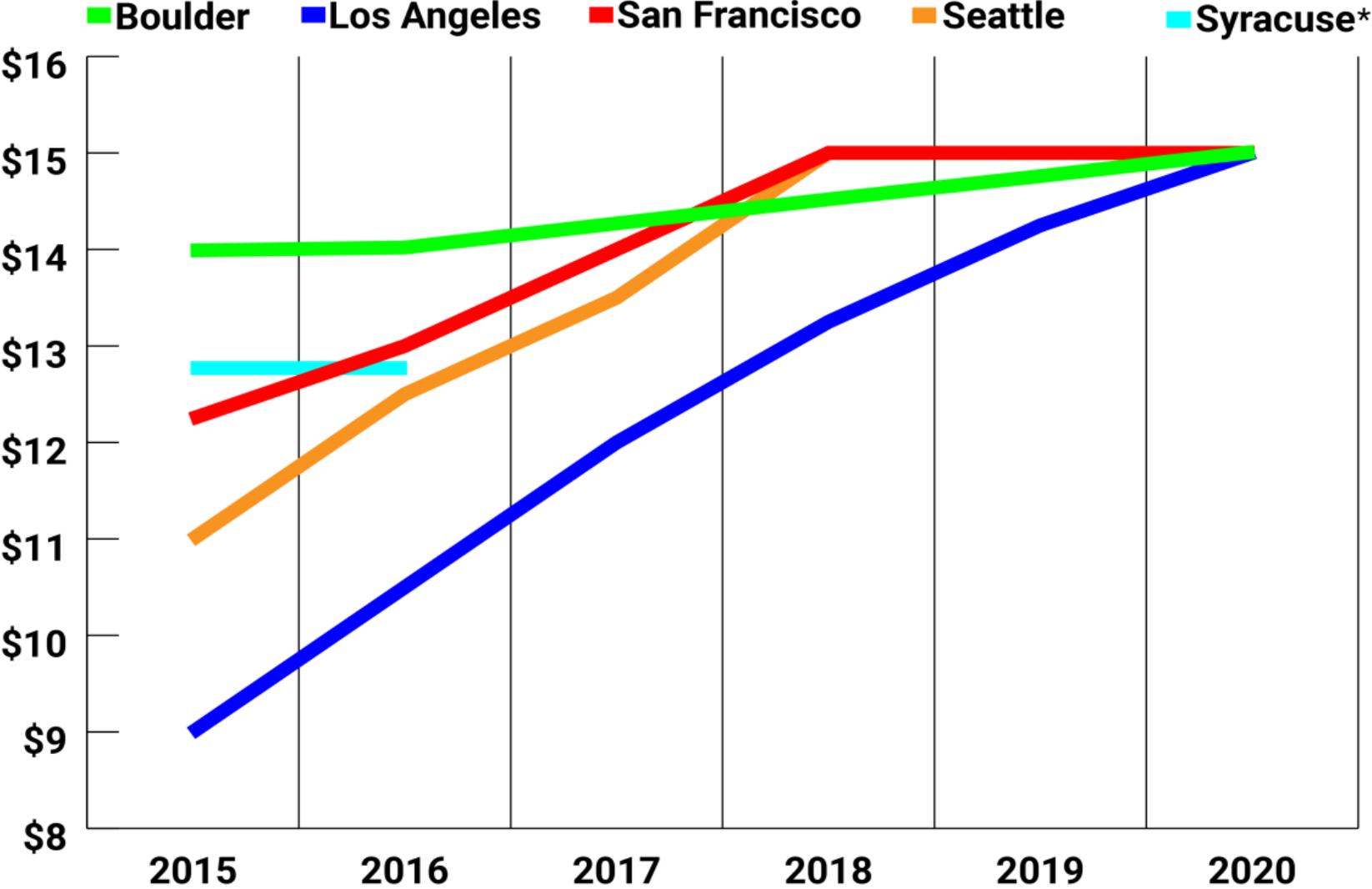
\* The Standard is calculated by adding expenses and taxes and subtracting tax credits. The "Taxes" row includes federal and state income taxes and payroll taxes.

\*\* The hourly wage is calculated by dividing the monthly wage by 176 hours (8 hours per daytimes 22 days per month).

\*\*\* The hourly wage for families with two adults represents the hourly wage that each adult would need to earn, while the monthly and annual wages represent both parents' wages combined.

Note: Totals may not add exactly due to rounding.

# Living and Minimum Wage Ordinances by City, 2015-2020



\*Syracuse figure applies to full-time city employees with medical benefits.

# Annualized Costs Related to Temporary and Part-time Employees

<u>Employee Group</u>	<u>Bring to \$14.02*</u>		<u>Bring to \$17.97</u>	
	<u>ee's</u>	<u>Annualized Cost</u>	<u>ee's</u>	<u>Annualized Cost</u>
Standard Part-time	27	\$40,800	53	\$247,100
Temporary	39	\$131,000	56	\$396,200
<b>Standard &amp; Temporary</b>	<b>68</b>	<b>\$171,800</b>	<b>109</b>	<b>\$643,300</b>

# Annualized Cost of Including Seasonal Workers

<u>Employee Group</u>	<u>Bring to \$14.02</u>		<u>Bring to \$17.97</u>	
	<u>ee's</u>	<u>Annualized Cost</u>	<u>ee's</u>	<u>Annualized Cost</u>
Seasonal Employees	501	\$814,400	580	\$1,748,100

# Summary of Potential Annual Ongoing Financial Impact

<u>Employee Group</u>	<u>Bring to \$14.02</u>		<u>Bring to \$17.97</u>	
	<u>ee's</u>	<u>Annualized Cost</u>	<u>ee's</u>	<u>Annualized Cost</u>
Standard Part-time	27	\$40,800	53	\$247,100
Temporary	39	\$131,000	56	\$396,200
Standard & Temporary*	66	\$171,800	109	\$643,300
Seasonal Employees	501	\$814,400	580	\$1,748,100
<b>Total, All Employees</b>	<b>567</b>	<b>\$986,200</b>	<b>689</b>	<b>\$2,391,400</b>

<u>Contract Type</u>	<u>Bring to \$14.02</u>		<u>Bring to \$17.97</u>	
Janitorial	Approx.	\$178,318	Approx.	\$425,496
Landscape	50	\$35,954	50	\$214,272
Other		unknown at this time		unknown at this time
compliance	0.5 to 1.0	\$40,000-\$80,000		same as for \$14.02 rate
<b>Total, All Contracts</b>		<b>more than \$300,000</b>		<b>unknown at this time</b>

<b>Total, All Contracts and Employees</b>		<b>more than \$1,286,000</b>		<b>more than \$3,100,000</b>
---	--	------------------------------	--	------------------------------