

Discussion of Extra Help Policies

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Tonight's Presentation

- Estimated cost of establishing \$15 an hour minimum wage;
- Current extra help policies/practices;
- Alternative approaches to use of extra help



Increasing Minimum Wage to \$15/Hour

- State of Washington: \$9.32
 - Highest in nation
- National issue: Proposed \$10.10
- Regional focus: \$15
 - Passed in SeaTac--Limited to
 - Hospitality Workers
 - Transportation Workers
 - Court has excluded Port of Seattle



Increasing Minimum Wage to \$15/Hour

At Shoreline

- All regular staff paid above \$15
- Primarily extra help issue
- Estimated increased cost if paid \$15 minimum in 2013: \$244,300 (wages + mandatory benefits)



Regular Employment vs Extra Help Employment

Regular Employee

- Adopted by Council as an authorized Full Time Equivalent (FTE)
- 20 hours or more/week
- Full benefit package
- Employment terms governed by Employee Handbook
- Intended to be on-going

Extra Help Employee

- Less than 1040 hours in a year or work is expected to end in less than a year
- No adopted FTE
- Only mandated benefits
- At will employees
- Intended to be temporary



Recent Extra Help Staffing

- Extra help gross wages
 - 2012: \$711,500
 - 2013: \$757,500
- Parks, Recreation and Cultural Services (PRCS)
 - 2012: 83%
 - 2013: 80%



Pros & Cons of Extra Help for Ongoing Staffing

Advantages

- Significantly less expensive
 - Lower wages
 - Fewer benefits
- Ability to hire/terminate employees with little or no process
- Accommodates employees interest in high flexibility/low hours in employment

Disadvantages

- Possibly unfair pay/benefits
- Risk of violating internal employment policies
- Scheduling can be overly complex/difficult to manage
- Hidden administrative costs of frequent hiring/managing /terminating multiple employees
- Can lead to moral issues

Alternative Approach

Revise City extra help policy:

- Eliminate use of extra help for staffing ongoing programs when regular FTE can be used;
- Use term-limited regular staff for any temporary project lasting longer than a year
- Limit use of extra help to:
 - Seasonal employment
 - Ongoing employment that requires minimal hours



Application to Current Operations

- PRCS Programs
 - Possible approaches illustrating application
 - Offered for Council consideration and discussion
 - Require additional staff work to formulate staffing plans
 - If Council so directs, staff would prepare concrete proposals for Council consideration in future budget processes



Application to Current Operations

- Priority #1—Spartan Recreation Center
 - Add 1.0 Administrative Assistant
 - Estimated Cost: \$30,000 - \$40,000
 - Decreased Hours: 700
 - Eliminate Employees Paid Below \$15/hour?: Yes
 - Remaining Extra Help: Minimal to None
- **Recommendation: Direct staff to prepare proposal for 2015 Budget**



Application to Current Operations

- Priority #2—Park Maintenance
 - Add 0.75 Park Maintenance Worker I
 - Estimated Cost: \$12,000 - \$19,000
 - Decreased Hours: 1560
 - Eliminate Employees Paid Below \$15/hour?: Yes
 - Remaining Extra Help: None
- **Recommendation: Direct staff to prepare proposal for 2015 Budget**



Application to Current Operations

- Priority #3—Specialized Recreation
 - Add three 0.5 Recreation Aides
 - Estimated Cost: \$36,000- \$50,000
 - Decreased Hours: 680
 - Eliminate Employees Paid Below \$15/hour?: No
 - Remaining Extra Help: Some substitute staffing
- **Recommendation: Direct staff to prepare proposal for 2015 Budget**



Application to Current Operations

- Priority #4—Pool
 - Add regular FTEs/decrease extra help
 - Estimated Cost: \$20,000- \$24,000 per FTE
 - Decreased Hours: TBD
 - Eliminate Employees Paid Below \$15/hour?: No
 - Remaining Extra Help: Yes, level TBD
- **Recommendation: Direct staff to evaluate staffing and prepare proposal for 2016 Budget**



Recommended for No Change

- Day Camp/Summer programs—Seasonal programs
- Building Monitors—Minimal staffing; below FTE levels
- Teen Program—Needs further study



Council Alternatives

- Maintain the status quo
- Adopt an increased minimum wage for City employees
 - Immediately effective or
 - Phased in
- Revise current policies for extra help to limit to seasonal/minimal hours/less than 1 year
 - Immediately effective or
 - Phase in



Staff Recommendation

- Phase in revision to extra help policies to limit to seasonal/minimal hours/less than 1 year over the next two or three years
- Possibly revisit minimum wage issue after extra help policy change completed



Summary

Option	Est. Cost	Eliminate Below \$15/hr?	Eliminate Extra Help?	Estimated Reduction in Hours	Recommended Implementation Date
Increase to \$15	\$244,000+	Yes	No	None	None
Spartan FTE	\$40,000	Yes	Yes	700	2015
Maintenance	\$19,000	Yes	Yes	1560	2015
Specialized Rec	\$50,000	Mostly	Mostly	680	2015
Pool	TBD	No	Partially	TBD	2016
Teen	TBD	TBD	TBD	TBD	2016 or later
Summer/Bldg Monitoring		Not recommended to Change			



Tonight's Action

- Council discussion of information and alternatives
- Council direction to staff to develop proposals (if any) to bring back for Council consideration during 2015 budget proposal

