



MEMORANDUM

Date: February 10, 2016

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: C.H. Huckelberry
County Administrator

A handwritten signature in black ink, appearing to read "CH Huckelberry", is written over the printed name and title.

Re: **Cost of Parental Leave**

To estimate the current cost of parental leave, staff compiled data for actual leave use for the 13-month period November 1, 2014 through November 30, 2015. On average, employees used 139 hours for parental leave as detailed in the table below.

**Parental Leave Use; November
2014 through November 2015.**

Leave Type	Hours
Sick	59
Vacation	23
Compensatory	2
Unpaid	22
CAT Bank	33
Total	139

As shown on the attached schedule *Current Leave Use for Parental Events*, the current estimate of parental leave used by Pima County employees is \$530,000 per year. If the County were to specifically provide six weeks of paid parental leave, the estimated cost would be \$1,100,000 as shown on the attached revised schedule *SEIU Recommended Parental Leave – Projected Annual Cost*, and the current leave types would still be available to employees to use for parental events. If the employees did not continue to use the existing leave already provided to them, the existing leave balances would remain an obligation of the County and would likely be paid to employees at some point in the future. Consequently, parental leave currently costs the County approximately \$530,000 per year; and specifically providing parental leave would cost an additional \$1,100,000.

Using the above average hours, the County's average wage rate, and estimated County-paid benefits, the County currently pays approximately \$3,700 in paid leave for each parental event. Based on a recent 41-month period, County employees average 145 parental events each year. Hence, the estimated annual cost of County-paid leave for parental events is approximately \$530,000.

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The cost of specifically providing 12 weeks of County-paid parental leave was previously estimated at \$2,200,000. Again, the attached revised schedule estimates the cost of providing six weeks of County-paid leave at \$1,100,000.

CHH/mjk

Attachments

c: Tom Burke, Deputy County Administrator for Administration
Keith Dommer, Director, Finance and Risk Management
Allyn Bulzomi, Director, Human Resources

Pima County Arizona
Current Leave Use for Parental Events
Projected Annual Cost

prepared: February 2016

13 Month Period Nov 2014 thru Nov 2015		Average Pay Rate ²	Benefits						
		\$ 24.04	ASRS 71% ³ 11.35%	PSPRS 29% ³ 53.69%	FICA 7.65%				
Hours	Average Hours per	Average Dollars per Event for Wages and Benefits				Average Pima County Wage and Benefits Paid per Event	Average Events Per year ¹	Average Annual Cost Paid by Pima County	
Sick Leave	8,507	59	\$ 1,410.38	\$ 113.66	\$ 219.60	\$ 107.89	\$ 1,851.52	145	\$ 268,470.56 ⁵
Vacation Leave	3,365	23	\$ 557.84	\$ 44.95	\$ 86.86	\$ 42.68	\$ 732.33		\$ 106,187.83 ⁵
Comp Time	234	2	\$ 38.82	\$ 3.13	\$ 6.04	\$ 2.97	\$ 50.97		\$ 7,389.94 ⁵
Unpaid Leave	3,259	22							
CAT Bank Leave	4,841	33	\$ 802.59	\$ 64.68	\$ 124.96	\$ 61.40	\$ 1,053.63		\$ 152,776.41 ⁶
	20,205	139 ⁴	\$ 3,349.91	\$ 226.41	\$ 437.46	\$ 214.94	\$ 3,688.45		

Estimated annual cost of current parental leave: \$ 534,824.74

Additional 6 weeks of paid parental leave: \$ 1,097,342.58

Total estimated annual cost of parental leave: \$ 1,632,167.32

Events ¹

Births	143
Foster/Adoption	2
Total	<u>145</u>

1 In addition to 145 events during the 13 month period from the beginning of November 2104 through the end of November 2015, there were also an average of 145 events per year for the 41 month period from July 2012 through November 2015 based on an analysis of FLMA requests.

2 Source: Human Resources - Average hourly rate of \$24.04 for an 8 hour day

3 Source: Human Resources - 29% of covered parents participated in PSPRS; ASRS rates were used to estimate the remainder

4 139 hours per event equates to approximately 3 and 1/2 weeks.

5 This leave may also be used for partental leave. If not used for parental leave, this leave would continue to be an obligation of the County and could not be considered a cost savings when implementing a parental leave program.

6 Assuming parental leave continues to be allowed from the CAT bank, employees could continue to use this leave.

Pima County Arizona
SEIU Recommended Parental Leave
Projected Annual Cost

prepared: February 2016

(revised for 6 weeks of paid parental leave rather than 12)

	Number of Parental Events ¹	Employee Compensation				Pima County Paid Benefits				Total Employee Compensation and Pima County Paid Benefits
		SEIU Recommended 6 Weeks Paid Leave	Total Leave Days	Average Daily Rate ²	Total Employee Compensation	FICA	71% in ASRS ³	29% in PSPRS ³	Pima County Paid Benefits	
Adoptions/Fosters	20	30 days	600	\$ 192.32	\$ 115,392	7.65%	11.35%	53.69%	\$ 36,093	\$ 151,485
Births	475	30 days	14,250	\$ 192.32	<u>\$ 2,740,560</u>	7.65%	11.35%	53.69%	<u>\$ 857,209</u>	<u>\$ 3,597,769</u>
Total Events	495				<u>\$ 2,855,952</u>				<u>\$ 893,302</u>	<u>\$ 3,749,254</u>
				average annual employee compensation	\$ 835,888				average annual county-paid benefits	\$ 261,454
									Average Cost Per Parental Event	\$ 7,574
									Average Parental Events Per Year	145
									Average Annual Cost	\$ 1,097,343

1 Source: Human Resources - 41 month historical information for employees who applied for FMLA - July 2012 through November 2015

2 Source: Human Resources - Average hourly rate of \$24.04 for an 8 hour day

3 Source: Human Resources - 29% of covered parents participated in PSPRS; ASRS rates were used to estimate the remainder