

# Living Wage Compliance Report



**Submitted to Living Wage Commission**

**December 27, 2016**

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**City of Syracuse Auditor**

## **Introduction**

The Office of the City Auditor has agreed to perform, at least annual, reports regarding compliance of the Living Wage Ordinance. This report represents the results of our examination into the City of Syracuse Living Wage Ordinance and specifically those Companies who are required to comply with the Living Wage Ordinance as adopted by the City of Syracuse Common Council and amended on Dec 17<sup>th</sup>, 2012. Compliance Letters were mailed by the Office of the City Auditor to each company on October 26<sup>th</sup> 2016 requesting certified payrolls for their employees who work on City contracts. The letter requested that the certified payrolls be returned to our office no later than November 11<sup>th</sup> 2016. In the first week of December 2016, my Office followed up with phone calls and emails to those Companies who had not responded to our request.

Effective April 1<sup>st</sup> 2016, the Living Wage rate is \$12.77 per hour for those employees who are provided health insurance and \$15.08 per hour for those who are not provided health insurance.

## **Objective**

Our objective is to determine if all Companies required paying their employees the “Living Wage” as defined by the City of Syracuse are compliant with that Ordinance. The Companies that are required to comply with the Living Wage Ordinance are as follows.

1. Birnie Bus Service
2. Republic Parking
3. Healthware Rental
4. Riccelli Enterprises
5. Tri Delta Resources
6. First Student
7. AIS-Appliance Installation and Service
8. LAZ Parking

## **Scope**

Our examination included the calculation of a per hour rate paid by the Companies to their employees. Also included is if the employees are offered and obtain health insurance as part of their employment benefits.

## Conclusion

- **Birnie Bus Service** did not provide payroll information because there was no usage during the requested time frame. In the past, they have provided payroll information and they were compliant.
- **Republic Parking Systems** provided payroll information for twenty three employees. None of these twenty three employees are provided with health insurance and make equal to or above the required rate. Therefore we find that Republic Parking is compliant with the Living wage Ordinance.
- **Healthware Rental Inc.** provides linen service for the Syracuse Fire Department. They annually refuse to provide payroll information and admit that they do not pay their employees equal to or above the Living Wage. However, no service is available at this time to replace them. Therefore we find Healthware Rental to be non-compliant.
- **Riccelli Enterprises** provided evidence that they are in compliance with wages stated in Sec 50-3d. It should be noted that they did not do any work for the City of Syracuse during the requested time frame. We therefore find Riccelli Enterprises to be compliant with the Living Wage Ordinance.
- **Tri-Delta Resources** provided payroll information for twenty nine employees. These employees are provided with health insurance coverage and makes equal to or above the required rate. Therefore we find Tri-Delta Resources to be compliant with the Living Wage ordinance.
- **First Student** provided us payroll information for two hundred and seven employees. All employees are provided health insurance and all employees are paid equal to or above the required rate. Therefore we find that First Student to be compliant with the ordinance.
- **AIS-Appliance Installation and Service** did not respond to our request. We therefore must find them non-compliant.
- **LAZ Parking** provided payroll information for thirteen employees. Eight employees receive health coverage and are paid equal to or greater than the lower wage. Five employees do not receive health insurance and are paid equal to or greater than to higher wage. Therefore we find LAZ Parking to be compliant with the Living Wage Ordinance

**Auditor's Note:**

Of the eight companies required to comply with the Living Wage Ordinance, six companies are fully compliant. This is compared to our last report where all eight Companies were fully compliant. As mentioned above, the two Companies that are non-compliant are because they did not respond to our request. As mentioned, Healthware Rental should be replaced because they refuse to comply stating that it would be tough to decipher between those working on the City contract and those who are not. The City of Syracuse Corporation Counsel's Office and the City/County Purchasing Department should take steps necessary to addresses these two Companies compliance issues.