

## **BUDGET COMMITTEE – MAY 10, 2004**

### **CROSSING GUARD REPORT – REQUEST FOR ADDITIONAL INFORMATION**

#### **Recommendation**

The Commissioner of Legal & Administrative Services and the Director of Human Resources recommend that:

The Scenario Report – School Crossing Guard Program, requested by the Budget Committee at the meeting of April 30, 2004, be received.

#### **Purpose**

To provide the Budget Committee with the requested breakdown of potential cost savings associated with the reduction to the ratio of schools to crossing guards and the reduction in the rate of pay.

#### **Background - Analysis and Options**

At the Budget Committee meeting of April 30, 2004, staff were directed to provide a report that showed the breakdown of the cost reductions which would be associated with a reduction in the ratio of schools to crossing guards and a reduction in the rate of pay. The earliest that these changes could be implemented is September 2004.

The attached Costing Scenario Report – School Crossing Guard Program provides a detailed breakdown of the costs associated with maintaining the status quo and three alternative scenarios detailing the reduced costs associated with making incremental change to either the ratio or the rate and a change to both ratio and rate.

The report provides the costs and savings associated with each scenario for the 2004 year as well as the 2005 annualized savings.

#### **Conclusion**

The Costing Scenario Report – School Crossing Guard Program demonstrates that incremental savings can be achieved in 2004 through reductions to ratio and/or rate of pay. The annualized savings for 2005 would be achieved if ratio and/or rate of pay changes were maintained.

#### **Attachments**

Costing Scenario Report – School Crossing Guard Program

#### **Report prepared by:**

Cathrine Berge, Director of Human Resources

Respectfully submitted,

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Robert Swayze  
Commissioner of Legal & Administrative Services

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Cathrine Berge  
Director of Human Resources

# Costing Scenario Report

## School Crossing Guard Program

Four scenarios are presented using different combinations of the variables:

- total number of crossing guards
- rate of pay

The costings are broken down into:

- 2004 costs/savings  
(based on 4/10 of a year since change cannot be effected until September 2004)
- 2005 costs/savings  
(based on 40 weeks of the year since crossing guards work the school year)

### **Scenario #1 – Status Quo – effective September 2004**

- Maintain 1:2 ratio (104 guards)
- Maintain \$12.00 per hour rate of pay

September – December 2004 cost	= \$299,529.00 (4/10 <sup>ths</sup> of the year)
Annualized 2005 cost	= \$748,800.00 (10/10 <sup>ths</sup> of the year)

### **Scenario #2 – Reduce Ratio, Maintain Rate of Pay – effective September 2004**

- Reduce ratio to 1:1.25 (70 guards)
- Maintain \$12.00 per hour rate of pay

September – December 2004 cost	= \$201,600.00 (4/10 <sup>ths</sup> of the year)
<b><i>September – December 2004 savings</i></b>	<b>= \$97,920.00</b>
Annualized 2005 cost	= \$504,000.00 (10/10 <sup>ths</sup> of the year)
<b><i>Annualized 2005 savings</i></b>	<b>= \$244,000.00</b>

### **Scenario #3 – Reduce Rate of Pay, Maintain Ratio – effective September 2004**

- Maintain 1:2 ratio (104 guards)
- Reduce per hour rate of pay to \$11.25 (assumes all guards at 2<sup>nd</sup> year rate)

September – December 2004 cost	= \$280,800.00 (4/10 <sup>ths</sup> of the year)
<b><i>September – December 2004 savings</i></b>	<b>= \$18,720.00</b>
Annualized 2005 cost	= \$702,000.00 (10/10 <sup>ths</sup> of the year)
<b><i>Annualized 2005 savings</i></b>	<b>= \$46,800.00</b>

**Scenario #4 – Reduce Ratio & Reduce Rate of Pay – effective September 2004**

- Reduce ratio to 1:1.25 (70 guards)
- Reduce per hour rate of pay to \$11.25 (assumes all guards at 2<sup>nd</sup> year rate)

September – December 2004 cost	= \$189,000.00 (4/10 <sup>ths</sup> of the year)
<b><i>September – December 2004 savings</i></b>	<b>= \$110,520.00</b>
Annualized 2005 cost	= \$472,500.00 (10/10 <sup>ths</sup> of the year)
<b><i>Annualized 2005 savings</i></b>	<b>= \$276,300.00</b>

prepared May 1, 2004