

Barrett Business Services Inc.

BBSI Southern Oregon Interchange Q3, Newsletter 2018

AREA MANAGER CORNER

The Intersection of Vision and Strategy

Hello BBSI-Southern Oregon Business Partners,

Well, here we are again - the busy summer business months! For many of our BBSI-Southern Oregon customers, the Memorial Day to Labor Day period generates more business activity and revenue than any other business interval during the year. Are you prepared for the Summer road ahead? Product, People, Sales Pipeline - these are the key business "pillars" that should be in place and ready to produce for you. And, just as with your business, BBSI-Southern Oregon is continually reviewing and expanding our product and service offerings to better serve YOU, our customer - let's look over a few of our latest business acumen developments:

BBSI Team Changes: As our own BBSI-Southern Oregon business grows, we're effecting significant changes to our Business Unit and Staffing teams to better serve your needs - adding new leadership and additional resources. Watch for a special upcoming announcement on these pivotal transformations!

BBSI Deep Dive Program: Our Deep Dive program will start rolling out to you in Q3. As a business planning tool, the purpose of Deep Dive is to facilitate a business discussion with you that will provide a comprehensive review of your business "journey" - past, present, and future - to "see" your business pathway to success. Watch for your invitation to engage in this highly worthwhile exercise - I'm certain that you'll experience an extremely valuable element of your BBSI partnership!

FACILITIES: Now that we're settled into our new Medford facility, several customers and referral partners have made good use of our conference and training rooms as an off-site meeting and/or training venue, while taking advantage of our highly-acclaimed dry erase walls to assist them with pictorial information sharing. Contact us if you'd like to explore the possibilities of using these facilities - another valuable facet of your BBSI partnership.

THANK YOU for being our business partner! Your input and feedback is essential to helping us determine what product and/or service is valuable to YOU as we move forward with our BBSI business model and relationship.

Salute!

Joe Rossi
Southern Oregon Area Manager



HUMAN RESOURCE CORNER

The Intersection of Human Capital and Professional Development

MINIMUM WAGE UPDATE

Minimum Wage Rates Change July 1st

Oregon Minimum Wage Rates

Effective July 1, 2018 to June 30, 2019

Standard
\$10.75

Portland Metro
\$12.00

Nonurban Counties
\$10.50

BBSI will be sending via email 2018 BOLI Minimum Wage posters. Employers must post next to their labor law posters. We have them in English and Spanish. Let Suz know if you need both. Suz.Montemayor@bbsihq.com



PAYROLL CORNER

The Intersection of Precise Timing and Accuracy

As an Oregon employer, many of you have likely received a letter from the Oregon Department of Revenue regarding the new statewide Oregon transit tax that takes effect July 1, 2018. Below are some answers to some frequently asked questions that have come up as a result of this communication.

What is the purpose of this tax?

The Oregon legislature adopted a new statewide payroll tax as part of the transportation bill HB 2017, in order to fund public transit projects throughout the state of Oregon.

Am I paying this tax out of pocket, in addition to the payroll and income taxes I already pay as an employer?

No, this tax is strictly withheld from employee wages, as is their Oregon state income tax, for their own personal income tax returns. This is not an employer-paid expense.

Do I have to fill out a form to report the tax to the State?

As a component of your partnership agreement, BBSI will withhold the tax from employee earnings, remit the tax payments to the State on your behalf, and report the withholdings on your quarterly returns.

The letter states an effective date of wages earned after July 1, 2018 – this actually pertains to all wages *paid* on or after July 1, 2018, in accordance with quarterly payment schedules, regardless of when earned. Employees will notice the tax deduction on their first paycheck in July, even for wages earned in June.

How much is the tax assessment?

The tax is equivalent to 0.1% (one-tenth of one percent) of employee wages, or \$1 for every \$1000 earned. Thus, an employee earning \$40,000 per year would expect to pay \$40 over the course of one year (approximately 77 cents per weekly paycheck).

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PAYROLL CORNER

The Intersection of Precise Timing and Accuracy

Can my employees opt out of the tax if they claim EXEMPT from withholding on their W-4?

No, the transit tax follows the same rules as Social Security/Medicare – it is withheld from ALL subject earnings even if the employee claims exemption from federal and/or Oregon state withholding tax.

Is there a cap on the amount of wages subject to the tax?

No, there is no cap on the annual or per-paycheck earnings subject to the transit tax.

My employees work in multiple states – will only their Oregon earnings be subject to the tax?

Oregon residents will be subject to the tax for ALL wages earned, even if in multiple states. Non-residents' earnings will be subject to all wages earned for services performed in Oregon. (There is an exception for nonresident employees in certain industries, i.e. long-haul transportation, where regular income tax withholding is dictated by the employee's home state regardless of where the wages are earned. For example, a California resident whose duties regularly consist of transporting goods in California, Oregon, and Washington on behalf of an Oregon-based employer would NOT be subject to the new transit tax.)

I already pay transit taxes as an employer in the Lane County and/or TriMet area. Do my employees still have to pay this tax?

Yes, the new statewide transit tax is withheld from employee wages throughout Oregon, including areas where employers already pay a transit tax.

Where can I or my employees learn more information about the tax?

Attached is an employee communication sheet that we encourage you to share with your staff. You may also visit the Oregon Department of Transportation's website at www.oregon.gov/odot, or the Department of Revenue at <http://www.oregon.gov/DOR/programs/businesses/Pages/statewide-transit-tax.aspx>.

For additional questions or concerns, please contact your BBSI payroll representative.

RISK & SAFETY CORNER

The Intersection of Prevention and Education

Reporting an Injury—Promptly!

BBSI requires that all job-related injuries be reported within 24 hours, and there are strong reasons for that. According to insurance industry statistics, Workers' Comp claims reported within three days cost 15 to 20% less than claims reported after three days. The average cost of a claim increases 3% every day the claim report is delayed. Injuries reported two weeks after the date of the accident cost an average of 18% more than those reported during week one. Those reported during weeks three and four average a 30% greater cost, and those reported after a month show a whopping 45% increase. Back injuries are especially susceptible to the reporting lag-time cost increase—they average 35% higher costs when reported after the first week, according to NCCI statistics.

If an injury is reported late, it's more difficult for an insurance carrier to conduct an investigation to determine the cause and extent of the injury. Prompt reporting of claims allows the claim adjuster to ensure key evidence is preserved and witnesses can be interviewed in completing a timely investigation of the loss to determine compensability and to determine an appropriate plan of action for resolving the claim. Prompt reporting also allows the detection of "red flag indicators" for fraud and determines whether a case should be referred for surveillance or if there is an opportunity to pursue subrogation against a negligent third party. Should one of your employees have an injury, you can call the BBSI office at 541-772-5469 any time day or night. For an injury after hours or on weekends press 1 when prompted and you will be transferred to one of the two Risk Managers or you can dial them direct:

Steve Dobbs - 541-450-5546 or Dan Sweeney - 503-816-0628

Remember, the best injury is one that never happens. Dan and Steve are always available to help you with strengthening your current injury prevention efforts.

ALERT—PRODUCT RECALL

Product Recall for Werner Telescoping Aluminum Ladders

Please visit the following link <https://www.wernerco.com/us/en/news-events/recalls>.

If your company has these ladders, please cease usage and follow the refund instructions.

Also, if you need ladder safety training information, contact our Risk Managers Dan Sweeney or Steve Dobbs.

RECRUITMENT AND STAFFING CORNER

The Intersection of Quality and Efficiency

RECRUITMENT AND STAFFING REMINDERS

To better serve you and to make sure we are working together as a team, the Staffing Unit would like to highlight key points and reminders.

NEW HIRES

Please call and/or email first upon hiring a new employee. This will allow us to call them and explain the paperless onboarding process.

The basic information that we need is the following when you call and/or email.

- Name and phone number
- Start Date
- Position
- Starting wage

⇒ If you have an urgent need for a new hire to start immediately, please remember to call and/or e-mail our Staffing Team beforehand. Conducting an employee onboarding at our office without previous notice may not allow us the time and/or customer service experience that we wish to provide for your employee.

RECRUITMENT

Please remember when you need a position to be filled, sending us the job description is very important. This helps with posting an AD and when conducting pre-screen interviews to be able to talk in depth about the position.

Thank you from the Staffing Unit !

Happy 4th of July!



BBSI TEAM CORNER

YOUR BBSI TEAM

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Rob Hegeman
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From all of us here at BBSI, we would like to wish you a safe and fun 4th of July!

We value and appreciate your business and partnership!!

THANK YOU

Barrett Business Services Inc.

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Customer Highlight Corner

Master Stitch

We partnered 3 of our businesses with BBSI in January of 2016. It has taken a huge load off of us. The resources available through BBSI alone is worth it. The support they supply is beyond compare. They take care of our payroll, workers comp and much more. They will even help us find employees. Whenever we have questions they are there to support us. It leaves us to what we need to do - focus on our businesses.

Master Stitch was born in 2006. Since that time, we have grown to our current location in downtown Medford. We offer embroidery and printing on apparel and accessories using our state of the art equipment. All of our digitizing is done in house. Our staff works diligently to provide outstanding customer service. You can see more about us at www.MasterStitch.net or stop by at 837 S Riverside, Medford.

Our Mission Statement

- ◆ To provide our customers with a quality product and service in a timely manner.
- ◆ To be creative, honest and professional at all times.
- ◆ To do our best to build a working relationship with our customers.



Lois Malone
Owner

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541-210-9999

www.MasterStitch.net



Find us on Facebook at <https://www.facebook.com/MasterStitch>



COMPANY PROFILE

BBSI is a leading provider of business management solutions, combining the knowledge base typically associated with the management consulting industry with best practices and tools of the human resources outsourcing model. By aligning our efforts with the mission of business owners, we bring the resources of a large company to small companies. Locally based BBSI business teams partner with each client, taking a systemic view of each client's business. Through discipline and a proactive approach, we help organizations to be more effective through a focus on best practices, process improvement and organizational development.

2017 FACT SHEET

Official Name:	Barrett Business Services, Inc.
Preferred Brand Name:	BBSI
Year Founded:	1951
Type of Business:	Publicly traded, NASDAQ Stock Market under symbol "BBSI"
Corporate Headquarters:	Vancouver, WA
2017 Gross Revenues:	Approx. \$6 billion
Client Retention Rate:	+ 90%
Total Number of Branch Locations:	70
In Oregon	11

BRANCH INFORMATION

BBSI—Medford Office
2045 Cardinal Ave. Suite 100
Medford, Or 97504
(p) (541)-772-5469
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BBSI - Grants Pass Office
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