



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Department Name: Social Services
Department No.: 044
For Agenda Of: 5/16/17
Placement: Administrative
Estimated Time:
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Daniel Nielson, Social Services Director
Director(s) (805) 346-7101
Contact Info: Amy Krueger, Adult & Children Services Deputy Director
(805) 346-8351
SUBJECT: Memorandum of Understanding Between the In-Home Supportive Services Public Authority and United Domestic Workers of America

County Counsel Concurrence

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: Risk Management

As to form: N/A

Recommended Actions:

That the Board of Supervisors and acting as the Board of Directors of the In-Home Supportive Services Public Authority:

- a) Approve and authorize the Chair of the Public Authority to execute the negotiated Memorandum of Understanding (MOU) between the In-Home Supportive Services Public Authority (Public Authority) and the United Domestic Workers of America AFSCME Local 3930, AFL-CIO (Union), for a period of three years ending June 30, 2019.
- b) Determine under CEQA Guidelines Section 15061 (b) (3) that this activity is exempt from review on the basis that it can be seen with certainty that there is no possibility that the activity may have a significant effect on the environment.

This MOU requires prior approval of the Board of Directors of the Public Authority.

Summary Text:

This item is on the agenda in order to approve and authorize the negotiated MOU between the Public Authority and the Union. The primary area of negotiations was around wages.

Background:

The current MOU between the Public Authority and the Union expired on June 30, 2016. On April 12, 2017, a tentative agreement was reached on a new three year MOU ending on June 30, 2019. Subject to approval by the County Board of Supervisors and Public Authority Board of Directors, the new MOU provides a wage increase of \$0.70, from \$11.30 to \$12.00 per hour, effective July 1, 2017, and an increase of \$0.10, from \$12.00 to \$12.10 per hour, effective July 1, 2018.

The Board of Supervisors sits as the Board of Directors of the Public Authority. Therefore, the Public Authority Board of Directors must first approve the negotiated MOU before it can be approved by a separate vote by the County Board of Supervisors.

Fiscal Analysis:

<u>Funding Sources</u>	<u>Current FY Cost:</u>	<u>Cost of Wage Increase FY 2017-18:</u>	<u>Cost of Wage Increase FY 2018-19</u>
General Fund	\$	450,148.00	\$ 450,148.00
General Fund (Additional Increase)			\$ 554,572.00
Total	\$ -	\$ 450,148.00	\$ 1,004,720.00

Narrative:

For Fiscal Year (FY) 2017-18, the wage increase of \$0.70 to \$12.00 per hour will increase the local mandated share of the total cost of the wages by approximately \$450,148 assuming Individual Provider (IP) hours of 3,685,410. This includes projected overtime costs and payroll taxes. For FY 2018-19, the additional wage increase of \$0.10 to \$12.10 per hour and the increase in hours paid by 4.8% will increase the local mandated share of the total cost of wages by an additional \$554,572. Of the increase of \$554,572, \$72,000 is associated with the \$0.10 increase to wages and the balance of the increase is due to the projected increased hours for FY 2018-19.

It is assumed that labor hours will increase by 4.8% each year (Total Hours = 3,519,164 in FY 2016-17, 3,685,410 in FY 2017-18, and 3,862,542 in 2018-19). The projected year over year increase in hours was estimated based on actual historical trend information. This additional General Fund contribution has not been included in the Department’s FY 2017-18 budget pages; however, the County Executive Officer has identified additional County General Funds which will be included as a final budget adjustment. This additional General Fund contribution of \$450,148 is included in the Department’s FY 2017-18 recommended budget.

Even though the total wage cost for the Individual Providers is estimated at \$49,488,231 in FY 2017-18, Individual Provider wages are paid directly by the State of California and the County is billed for its local share (approximately 17.6%) of these wages. Therefore, only the County mandated share of all Individual Provider wages are included in the Department’s budget.

This Board action is only associated with the fiscal impact of the wage increase and does take into account the local mandated cost of the Individual Provider wages (\$9,315,325) that are not associated with the requested Board action. The \$9,315,325 has been included in the Department's FY 2017-18 recommended budget as the local mandated share of the of the Individual Provider wages.

Key Contract Risks:

N/A

Staffing Impacts:

Legal Positions:

0

FTEs:

0

Special Instructions:

Please send two (2) duplicate original MOUs, and a copy of the minute order to:
DSS Contracts Unit
C/O Tricia Beebe
2125 S. Centerpointe Parkway, 3rd Floor
Santa Maria, CA 93455

Attachments:

1. Attachment 1 – MOU – UDW – IHSS PA – 2016-2019

Authored by:

Amy Krueger, ACS Deputy Director
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