



**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

Submitted on:
(COB Stamp)

Department Name: Human Resources
Department No.: 064
Agenda Date: December 16, 2025
Placement: Administrative Agenda
Estimated Time:
Continued Item: No
If Yes, date from: <Insert Date>
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director(s): Kristine Schmidt, Human Resources Director
Contact: Carlos Silvas, Employee Relations Division Chief
SUBJECT: Authorization to Execute Side Letter Agreements with SEIU Local 620 and SEIU Local 721 for Temporary Labor Cost-Saving Measures in the Department of Social Services

DocuSigned by:
Kristine Schmidt
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County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: Yes

Recommended Actions:

That the Board of Supervisors:

- a) Authorize the County Human Resources Director, or designee to execute Side Letter Agreements with SEIU Local 620 and SEIU Local 721 establishing a six-month temporary delay in merit eligibility for represented employees in the Department of Social Services (DSS), consistent with ratified Tentative Agreements, and
- b) Approve application of the same six-month merit eligibility delay to unrepresented Confidential, Management, and Executive employees assigned to DSS and covered under Resolution 24-187, and
- c) Determine that the above actions are not a project under the California Environmental Quality Act (CEQA), because pursuant to sections 15378(b)(4) and 15378(b)(5) the recommended actions consist of organizational, administrative, or fiscal activities of government that will not result in direct or indirect physical changes in the environment.

Summary Text:

On October 7, 2025, the Department of Social Services (DSS) presented a budget rebalancing plan to the Board of Supervisors identifying a structural deficit of \$7.4 million in general revenue funding for FY 2025-26. The plan proposed a reduction of 121 funded positions, of which 65 FTE were filled, effective January 5, 2026, to align expenditures with anticipated revenues by end of FY 2025-26.

Following that presentation, the Board directed County Human Resources staff to engage the unions to identify concessions that could assist in closing a remaining estimated \$2.3 million gap in general fund revenues for the remainder of FY 2025-26 and avoid the elimination of up to 65 funded and filled positions.

In November 2025 County Human resources achieved tentative agreement with SEIU Locals 620 & 721, consistent with Board authority, to delay merit eligibility for all employees in DSS represented by SEIU Local 620, SEIU Local 721, contingent on also applying this to Unrepresented Confidential, Management, and Executive employees covered under Resolution 24-187 in DSS.

On November 18, 2025, DSS presented an updated budget rebalancing plan to the Board, incorporating the concessions tentatively agreed upon with the unions. The Board was informed that, if ratified by union memberships, these concessions would generate a projected \$250,000 in one-time local fund savings. The Board approved the updated DSS rebalancing plan, inclusive of these projected concessionary savings.

Membership for both SEIU Local 620 and SEIU Local 721 have since ratified tentative agreement of the concessionary terms and staff now requests that the Board authorize the County Human Resources Director, or designee to execute the Side Letters implementing these concessions

Discussion:

SEIU Local 620 and SEIU Local 721 membership have ratified agreements establishing temporary labor cost-saving measures to help mitigate Department of Social Services (DSS) budget shortfalls for the period of January through June 2026. The agreements provide for a six-month delay in merit eligibility for employees in the affected bargaining units, as well as for unrepresented Confidential, Management, and Executive employees in DSS.

These concessions support continuity of services, preserve filled positions through FY 2025-26, and generate temporary one-time general fund savings as incorporated into the updated DSS budget rebalancing plan. The six-month merit eligibility delay is a temporary measure that applies only to merit increases scheduled during calendar year 2026. Specifically, the measure:

- Does not reduce base salaries or create retroactive “catch-up” payments.
- Preserves the integrity of existing MOUs, including provisions for general salary and inequity increases.
- Maintains employee rights to salary increases upon promotion as provided under Civil Service Rules.
- Applies equitably across both represented and unrepresented employees within DSS.

The Side Letters also establish a Labor/Management Committee to monitor and discuss the FY 2026–27 DSS budget with the goals of:

- Avoiding or reducing further layoffs;
- Protecting the Department’s ability to provide essential public services;
- Preserving filled, funded positions to the greatest extent possible.

The committee will meet monthly beginning in January 2026 and will continue through June 30, 2026, at which point the provision sunsets unless extended by mutual agreement and formal ratification.

Approval of this Board action authorizes the County Human Resources Director to implement these temporary cost-saving measures consistent with the DSS budget rebalancing plans, prior Board direction, and the ratified concessionary agreements with SEIU Local 620 and SEIU Local 721.

Execution of the Side Letters will help maintain service levels, protect filled positions, and assist in addressing the remaining FY 2025-26 budget gap in DSS.

Fiscal and Facilities Impacts:

One-time general fund savings from these concessions are projected at \$250,000, as included in the DSS updated budget rebalancing plan approved by the Board on November 18, 2025. The one-time savings to general revenue funds reaped from these concessions will be realized on a month-to-month basis throughout calendar year 2026 and therefore will cross over Fiscal Years 25/26 and 26/27. The total one-time savings will not be fully realized until the end of calendar year 2026.

Attachments:

Attachment A – Side Letter Agreement between the County of Santa Barbara and the Service Employees International Union, Local 620

Attachment B – Side Letter Agreement between the County of Santa Barbara and the Service Employees International Union, Local 721

Contact Information:

Carlos Silvas
Employee Relations Division Chief
cmsilvas@countyofsb.org