



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: RES 19-013, **Version:** 1

- a. Approve and adopt a Tentative Agreement and a side letter on health benefits between the Service Employees International Union (SEIU) Local 2015, representing the In-Home Supportive Services (IHSS) Providers, and the IHSS Public Authority for a new Memorandum of Understanding (MOU) effective upon Board approval through February 28, 2021;
- b. Authorize the allocation of \$151,524 from General Fund Contingencies to cover the County's share of the wage increase for two months in FY 2018/19 Adopted Budget; and
- c. Approve and authorize the Auditor-Controller to increase appropriations by \$1,010,157 and estimated revenues by \$858,633 in Budget Unit 001-5010-SOC001-8254 of the FY 2018-19 Adopted Budget; financed by an appropriation decrease of \$151,524 in the CAO General Fund Contingencies 001-1050-8034-CAO020 (4/5ths Vote Required).

RECOMMENDATION:

It is recommended that the Board of Supervisors consider a resolution to:

- a. Approve and adopt a Tentative Agreement and a side letter on health benefits between the Service Employees International Union (SEIU) Local 2015, representing the In-Home Supportive Services (IHSS) Providers, and the IHSS Public Authority for a new Memorandum of Understanding (MOU) effective upon Board approval through February 28, 2021;
- b. Authorize the allocation of \$151,524 from General Fund Contingencies to cover the County's share of the wage increase for two months in FY 2018/19 Adopted Budget; and
- c. Approve and authorize the Auditor-Controller to increase appropriations by \$1,010,157 and estimated revenues by \$858,633 in Budget Unit 001-5010-SOC001-8254 of the FY 2018-19 Adopted Budget; financed by an appropriation decrease of \$151,524 in the CAO General Fund Contingencies 001-1050-8034-CAO020 (4/5ths Vote Required).

SUMMARY/DISCUSSION:

The Monterey County Public Authority for IHSS and SEIU Local 2015, representing the IHSS providers reached a tentative agreement on December 19, 2018, for a successor Memorandum of Understanding (MOU) to become effective upon Union ratification and Board and State approval through February 28, 2021. SEIU Local 2015 has informed the Monterey County Public Authority that the unit membership has approved this tentative agreement.

Pursuant to the Tentative Agreement, effective upon Union ratification, Board and State approval, the Public Authority will supplement the base wage of \$12.50 per hour or the State or Federal minimum wage, whichever is higher, by an additional \$1.00 per hour. This would increase wages from \$12.50 to \$13.50 per hour. The Public Authority contribution to the health plan will continue at \$.44 per hour. Providers shall become eligible to enroll in open health insurance slots after three (3) consecutive months working 80 or more hours per month. Additionally, beginning July 1, 2019, the Public Authority will provide a health and safety supplies fund of \$5,000.00 per year for the purchase of protective supplies for items such as gloves, masks, antibacterial soap and wipes. It is anticipated that with your Board's adoption of the Tentative Agreement on February 26, 2019, State approval would be granted for an implementation date of May 1, 2019 as the effective date of change in

wages. Additionally, a side letter on Health Benefits is attached to the MOU where both parties have agreed to meet and confer on the impact of the 27% increase in health benefit premiums.

Effective January 1, 2020, the Public Authority will supplement the base wage of \$12.50 per hour or the State or Federal minimum wage, whichever is higher, by an additional \$.29 per hour, resulting in a total supplemental wage of \$1.29 per hour.

Additionally, the State Minimum Wage is scheduled to increase on January 1, 2020 to \$13.00 per hour, which would become the new Provider Base Wage. The wage supplement of \$1.00 and \$0.29, totaling \$1.29 would “float” over the new base wage, which would increase the Provider Wage to \$14.29 per hour.

On January 1, 2021, the State Minimum Wage is scheduled to increase to \$14.00 per hour, which would become the new Provider Base Wage. The wage supplement of \$1.00 and \$0.29, totaling \$1.29 would “float” over the new base wage, which would increase the Provider Wage to \$15.29 per hour.

OTHER AGENCY INVOLVEMENT:

SEIU Local 2015 has informed Monterey County IHSS Public Authority that the unit membership has approved this Tentative Agreement. County Counsel has approved the agreement as to form. The County Administrative Office has reviewed and concur with this action.

FINANCING:

The agreement will increase the total compensation and County General Fund Contribution for IHSS Provider wages and benefits as follows.

	<u>Total Compensation</u>	<u>County General Fund Contribution</u>
FY 2018/19	\$1,010,157	\$151,524
FY 2019/20	\$7,194,381	\$1,017,157
FY 2020/21	\$8,732,825	\$1,309,924

For FY 2018/19 Budget Unit 001-5010-SOC001-8254, appropriations are requested of \$1,010,157 and estimated revenues of \$858,633 along with a transfer of \$151,524 that is being requested from the General Fund Contingencies 001-1050-8034-CAO020 to fund the county share of the two-month wage increase. In FY 2019/20 and FY 2020/21, the Department of Social Services’ General Fund Contributions budget base will need to be increased to sustain the cost of wage increase indicated above. The State at no cost to the County, will be responsible for costs associated with increasing the State minimum wage once it exceeds the County’s approved Provider Base Wage rate of \$12.50.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

This resolution action addresses the Board of Supervisors Health & Human Services by negotiating a new successor MOU for over 4,000 IHSS providers who serve the senior and vulnerable populations in the County that rely upon IHSS access to quality homecare workers to maintain a safe and supportive living situation in their home.

Mark a check to the related Board of Supervisors Strategic Initiatives

☐ Economic Development
☐ Administration
☒ Health & Human Services
☐ Infrastructure
☐ Public Safety

Prepared by: Margaret Huffman, Deputy Director, x4435; Becky Cromer, Interim Finance Director, x4404

Approved by: Henry Espinosa, Acting Director, x4430

Attachments: Agreement which includes a Side Letter on Health Benefits and a SOC449-Monterey Rate Change.

Attachments on file with the Clerk of the Board