



County of Monterey

Item No.25

Board Report

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

Legistar File Number: RES 25-156

October 28, 2025

Introduced: 10/17/2025

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Resolution

- a. Adopt a resolution to approve and adopt a tentative agreement between the Service Employees International Union (SEIU) Local 2015, representing the In-Home Supportive Services (IHSS) Providers, and the IHSS Public Authority effective upon Board approval through August 31, 2028; and
- b. Approve and authorize the CAO-Budget Office to incorporate the increase of County General Fund Contributions (GFC) in FY 2026-27, FY 2027-28 into Social Services 001-5010-SOC001-8254 GFC Base as identified in the Finance Section below.

RECOMMENDATION:

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

- a. Approve and adopt a tentative agreement between the Service Employees International Union (SEIU) Local 2015, representing the In-Home Supportive Services (IHSS) Providers, and the IHSS Public Authority effective upon Board approval through August 31, 2028; and
- b. Approve and authorize the CAO-Budget Office to incorporate the increase of County General Fund Contributions (GFC) in FY 2026-27, FY 2027-28 into Social Services 001-5010-SOC001-8254 GFC Base as identified in the Finance Section below.

SUMMARY:

The Monterey of Monterey In-House Supportive Services (IHSS) Providers, IHSS Public Authority and Service Employees International Union (SEIU) Local 2015, representing IHSS Providers have reached a tentative agreement through August 31, 2028.

DISCUSSION:

The Monterey County IHSS Public Authority and SEIU Local 2015, representing the In-Home Supportive Services (IHSS) providers reached a tentative agreement on September 5, 2025, with the new agreement becoming effective upon Union ratification and Board and State approval through August 31, 2028. SEIU Local 2015 informed the Monterey County Public Authority on October 17, 2025 that their membership approved this tentative agreement.

Pursuant to the Tentative Agreement, effective upon Union ratification, Board and State approval, the Public Authority's contribution to the health plan will increase by \$0.14 from \$0.66 to \$0.80 per hour. This will increase eligible providers from 737 providers per month to 894 providers, thereby eliminating the current wait list of 99 eligible providers and providing 58 additional slots to grow into based upon the current health premium of \$698.04. The State requires 60 days for implementation, and it is estimated that the State will implement the health plan increase on January 1, 2026.

The current base wage (State or Federal minimum wage, whichever is higher) for the IHSS Providers, as of January 1, 2026 is \$16.90 plus the existing wage supplement of \$2.74 that

floats above the minimum wage, for a total wage of \$19.64 per hour. The Public Authority recommends increasing the existing wage supplemental by a total of \$1.75 over the next three (3) years as follows:

- Effective January 1, 2026, the Public Authority will increase the wage supplement by \$1.00 for a total of \$3.74 (\$2.74 + \$1.00) that will float above the base wage for a total of \$20.64/hr; and
- Effective July 1, 2026, the Public Authority will increase the wage supplement by \$0.40 for a total of \$4.14 (\$2.74 + \$1.00+\$0.40) that will float above the base wage for a total of \$21.04/hr; and
- Effective July 1, 2027, the Public Authority will increase the wage supplement by \$0.35 for a total of \$4.49 (\$2.74 + \$1.00 + \$0.40 + \$0.35) that will float above the base wage for a total of \$21.39/hr.

Additionally, the health and safety supplies increased \$5,000, for a total of \$15,000 per fiscal year for the purpose of purchasing protective supplies such as gloves, masks, and/or antibacterial soap/wipes. The Agreement continues the compensation in the form of a stipend up to six (6) providers on the contract negotiations for a successor agreement with the Public Authority for each day of negotiations equivalent to five hours at their current effective rate of pay for a cost of \$2,475.

OTHER AGENCY INVOLVEMENT/COMMITTEE ACTIONS:

SEIU Local 2015 has informed Monterey County IHSS Public Authority that the membership unit 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 State of California issues the IHSS wages and the County share is billed under the IHSS Maintenance of Effort (MOE). For the health benefits, IHSS Public Authority contracts out for health benefits through Central Coast Alliance for Health based upon the negotiated rate per the hours worked by the IHSS providers. The proposed agreement will increase the total compensation and County General Fund Contribution (GFC) for IHSS Provider wages and benefits in the amount of \$4,029,030 through August 2028.

For FY 2025/26, the only county share of costs that will occur by June 30, 2026, will be \$17,475 for the costs of the stipends for the negotiation team and the providers' health/safety supplies. The Department plans to absorb these county share of costs, however, a budget modification will be required in the spring to increase the appropriations/revenues and the health benefit contract for the additional health benefits by taking the request to the Budget Committee and then to the full Board for the IHSS Unit 001-5010-SOC001-8254.

The county share of costs for the wages and health benefits are billed by the State under the IHSS MOE. FY 2025-26 MOE will not be finalized till December 2026 along with the estimated FY 2026-27 MOE. At that time, the IHSS MOE will charge the wage increase beginning 1/1/2026 for 18 months through June 2027, and the increase that will go into effect on 7/1/2026 for 12 months through June 2027. The Department of Social Services' General Fund Contributions budget base will need to be increased for Fiscal Years 2026/27 and 2027/28 to sustain the County Share of costs for the health benefits and wage increases indicated below:

FY MOE Changes	FY 2025/26	FY 2026/27	FY 27/28	Total
FY 25/26 Wage/Health Benefit Increase 1/1/2026		\$2,739,711		
FY 26/27 Wage Increase 7/1/2026		\$672,993		
FY 27/28 Wage Increase 7/1/2027			\$616,328	
Total General Fund Contributions Required	\$0	\$3,412,704	\$616,328	\$4,029,032

The Department is absorbing the annual 4% increase on each years' IHSS MOE (approximately \$900,000 increase annually) which is applied after the county share increase for the negotiated increases, the protective supplies, and the providers' stipend for the negotiating team. The State at no cost to the County, will be responsible for costs associated with the newly increased State minimum wage that went into effect on January 1, 2026. The Department is requesting the Board of Supervisor's authorize and approve the CAO-Budget Office to incorporate the increase of County General Fund Contributions for the upcoming budget cycles as indicated in the above chart for FY 2026-27 and FY 2027-28.

A Rate Change (SOC448) will be submitted to the State October 31, 2025 as required by the State each time a change in rates occurs. The attached rate change is for the upcoming wage and health benefit changes that will go into effect January 1, 2026.

The budgeted rates are as follows:

1. Administration rate of \$0.17
2. Payroll tax rate of \$2.41
3. Health Benefits rate is \$0.80
4. Wage Rate is $(\$16.90 + \$3.74 \text{ Supplemental}) = \20.64

Future rate packages will be submitted 60 days in advance of rate change going into effect for the wage supplemental increases for July 1, 2026 of \$4.14 and July 1, 2027 of \$4.49.

BOARD OF SUPERVISORS STRATEGIC PLAN GOALS:

This resolution action addresses the Board of Supervisors strategic goal of "Well-being and Quality of Life" for residents by negotiating a new successor Agreement for over 4,800 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 Plan Goals:

- ☒ Well-Being and Quality of Life
☐ Sustainable Infrastructure for the Present and Future
☐ Safe and Resilient Communities
☐ Diverse and Thriving Economy
☐ Administrative

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Approved by: Roderick Franks, Director, x4430

Attachments: Resolution
Agreement
Rate Change (SOC448)

Attachments on file with the Clerk of the Board