



November 16, 2016

Antoinnae Comeaux
Michael Fogelstrom
Santa Clara County Office of the County Executive
70 W. Hedding Street, East Wing – 11th Floor
San Jose, CA 95110

Sent via email to livingwage@ceo.sccgov.org

BOARD OF DIRECTORS

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Live Oak Adult Day Services provides services to the County for adult day care to provide Social day care services to vulnerable seniors and respite for their families for approximately 300 clients. Our organization will be impacted by the living wage increases in the following ways:

- 1) Our current base payroll and benefit package totals \$65,223.98 for 27 employees.
- 2) The Living Wage requirements we anticipate will increase our base payroll and benefit package to \$138,296.31, representing an increase of 9% to our operating budget.
- 3) Approximately 6 of our staff work under the County Contract however, to be a Fair Wage Employer we need to raise salaries across our agency to achieve living wage.
- 4) This 9% increase in overall employment costs increases reflects both increasing current staff to living wage standards and the compression costs associated with developing a living wage payroll package for our agency.
- 5) Our agency budget is \$1.2 million. The County only funds 10% or \$116,025.00 of this budget. Historically, the County has not paid the full cost of our services and thereby we are required to raise outside funds to cover our service costs. Therefore, we will need to raise an additional \$760,843.00 in outside funding in order to become a living wage employer. This new additional and annual fundraising goal is above current fundraising activity that we struggle to achieve each year. Even if the County covers their portion of our budget with living wage salaries, we will need to raise \$760,843.00 more above this to be a living wage employer.

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EXECUTIVE DIRECTOR

Colleen Hudgen

In developing a living wage ordinance for nonprofits, we respectfully request that the County:

- Fund rates and cost reimbursement to fully fund our County Services
- Provide our agency with funding to achieve a living wage standard
- Provide nonprofits a multi-year tiered pathway to achieve living wage standards
- Provide annual and fair Cost of Doing Business increases on all County contracts, not just those funded by the County General Fund in order to continue to provide Living Wage salaries within our



organization.

Sincerely,

Colleen Hudgen
Executive Director