



County of Santa Cruz

GENERAL SERVICES DEPARTMENT

701 OCEAN STREET, SUITE 330, SANTA CRUZ, CA 95060-4073

(831) 454-2210 Fax: (831) 454-2710 TDD/TTY: 711

MICHAEL BEATON, DIRECTOR

Fiscal Year 2024/2025 Living Wage Annual Summary Report

Overview:

During fiscal year (FY) 2024/2025, General Services' staff conducted the following activities related to Living Wage:

- Implemented an increase to the Living Wage approved by resolution as required by the Ordinance;
- Revised all Living Wage certification and informational documents and intranet information, effective July 1, 2024;
- Certified Living Wage applicable vendors that provided covered services in excess of \$15,000 during FY 2024/25, including those that were exempt under the Ordinance.

Current Statistics (July 1, 2024 through March 31, 2025):

There are currently 174 vendors providing living wage applicable services to the County of Santa Cruz in the covered services categories, 56 of which provided services in excess of \$15,000. Of these, 42 certified compliant, 8 have fewer than six employees and are therefore exempt under the Ordinance, and 6 have collective bargaining agreements with their employees and are therefore excluded from the Ordinance.

Table 1 shows the service category detail of vendors providing Living Wage applicable services above the \$15,000 threshold. Service categories with no current vendors were omitted.

| Table 1 | | | | |
|---|-----------|-----------|----------|-----------|
| Service Type | Total | Compliant | Exempt | Agreement |
| Automotive repair and maintenance | 4 | 3 | 1 | |
| Equipment maintenance service | 17 | 13 | 2 | 2 |
| Facility and building maintenance | 9 | 7 | 1 | 1 |
| Furniture Moving and Installation/Maint | 2 | 2 | | |
| Janitorial and custodial services | 4 | 1 | 3 | |
| Landscaping services | 4 | 4 | | |
| Laundry services | 2 | | | 2 |
| Office and clerical services | 3 | 2 | 1 | |
| Pest control services | 1 | 1 | | |
| Security services | 3 | 3 | | |
| Towing services | 2 | 2 | | |
| Transportation and Shuttle Services | 1 | 1 | | |
| Tree trimming and removal | 4 | 3 | | 1 |
| TOTAL | 56 | 42 | 8 | 6 |

Fiscal Year 2024/2025 Living Wage Annual Summary Report
Page 2 of 3

Table 2 shows the service category detail of vendors providing Living Wage applicable services below the \$15,000 threshold. Service categories with no current vendors were omitted.

| Table 2 | |
|---------------------------------------|--------------|
| Service Type | Total |
| Automotive repair and maintenance | 24 |
| Equipment maintenance service | 48 |
| Facility and building maintenance | 14 |
| Furniture Moving & installation/maint | 1 |
| Janitorial and custodial services | 3 |
| Landscaping services | 5 |
| Laundry Services | 1 |
| Office and clerical services | 6 |
| Pest control services | 5 |
| Recreation Services | 3 |
| Security Services | 2 |
| Towing services | 3 |
| Tree trimming and removal | 3 |
| TOTAL | 118 |

Living Wage Certification Process for FY 2024/2025:

Near the end of each fiscal year, based on prior years' purchasing activity, General Services' staff determines which vendors will likely need to certify their compliance with the Living Wage program in the new fiscal year. Upon Board of Supervisors approval of an increase to the Living Wage rates, General Services' staff summarizes the changes in the Ordinance, notifies the vendors of the changes, and obtains new Living Wage Compliance Statements from them.

Throughout the fiscal year, General Services' staff monitors all department purchase requisitions for existing and new service requests to identify Living Wage vendors and ensure their compliance with the program. County Counsel and the County Executive Office review covered services contracts over \$15,000 for compliance with the program.

Finance Enterprise, the County's financial and purchasing system tracks the cumulative value of all identified Living Wage vendors' expenditures. When vendors' expenditures reach the \$10,000 threshold, Finance Enterprise notifies General Services' staff to review the vendors' purchase orders and/or contracts and either certify the vendors or monitor these vendors' purchase orders and/or contracts for eventual certification.

When the cumulative value of an identified Living Wage vendor's purchase orders and/or contracts reaches \$15,000, and if the vendor has not certified, Finance Enterprise tags the vendor as not certified and prevents General Services' staff from increasing existing or issuing new purchase orders and/or contracts until the vendor certifies compliance.

Fiscal Year 2024/2025 Living Wage Annual Summary Report
Page 3 of 3**Living Wage Countywide:**

Staff contacted the Cities of Santa Cruz and Watsonville to confirm their participation in the Living Wage increase for FY 2025/26. On January 28, 2025, the City of Santa Cruz approved an increase in its FY 2025/26 rates consistent with the County formula effective July 1, 2025. It is not known at this time if the City of Watsonville intends to increase its FY 2025/26 rates. The County's FY 2025/26 Living Wage rates, effective July 1, 2025, matching the rates of the City of Santa Cruz, would be \$21.20 per hour with benefits and \$23.13 per hour without benefits.

Living Wage for Nonprofit Agencies:

Effective July 1, 2003, the Living Wage Ordinance was amended to include specific living wage requirements for nonprofit service providers. The Human Services Department (HSD) monitors all nonprofit contractors covered by the Living Wage Ordinance. General Services has included living wage information for nonprofits on the General Services' intranet site. This site allows information and certification forms regarding compliance with the Santa Cruz County Living Wage Ordinance to be readily available to County staff.

Due to HSD budget constraints, Living Wage reporting for nonprofit agencies has been suspended for the past several years. However, nonprofit agencies were still required to submit self-certification forms to HSD indicating if all of their workers were paid a living wage. Nonprofit agencies were not required to submit wage data reports to the County for FY 2024/2025.

Additional Information:

- In FY 2024/2025 General Services' staff identified no issues and received no complaints related to the Living Wage program and/or the self-certification process.
- General Services' staff will continue to review and improve Living Wage procedures and processes to fully utilize Finance Enterprise to monitor and enforce the Living Wage Ordinance.
- As proposed, at \$21.20 per hour with benefits and \$23.13 per hour without benefits, Santa Cruz County and the City of Santa Cruz's FY 2025/26 Living Wage Ordinances provide for a Living Wage that is comparable to or higher than other living wage rates in the Central Coast region.