

Fiscal Note for the Living Wage Ordinance

The fiscal impact of the proposed Living Wage Ordinance has been independently analyzed in three specific areas. They are:

- Impact on Human Services Contracts
- Impact on Other County Contracts
- Impact on County Wage Schedule

The specifics of each are discussed individually below.

Impact on Human Services Contracts

Human Services staff distributed surveys to thirty-one (31) providers who contract with the department. Specific details regarding the survey are contained in DHS Director Diane Cable's summary document dated 6/24/16. Based on the survey responses, for the years 2017-2021, DHS staff is estimating total increased costs to the department of \$4.44 million. This estimate is based on the amended ordinance using a sliding poverty level scale of 100%-115% over those five years. For comparison, the original proposed sliding poverty level scale of 115%-130% would have resulted in increased departmental costs of nearly \$5.84 million.

Impact on Other County Contracts

Purchasing Department staff distributed surveys to thirty (30) who contract with Eau Claire County for services. Sixteen (16) of those firms responded with five (5) of them indicating that they would be affected by the Living Wage Ordinance, with an estimated increase in costs to the county of \$211,583 for 2018. No additional information was provided for additional years.

Impact on County Wage Schedule

The fiscal impact of the amended ordinance using the sliding poverty level scale of 100%-115% was prepared and presented by the county's finance director at the 6/23/16 Finance & Budget meeting. To summarize, based on the projections identified in the analyses, only the first two steps of pay grade "A" in 2021 would appear to be potentially negatively impacted by the amended ordinance. Even at the high end of the estimate, pay grade "A" could be adjusted minimally to comply with the ordinance, and at the low end, variations on estimates may not necessitate any adjustment. Worst-case estimated total fiscal impact is less than \$5,000.