
Senior & Disabled Services

a division of LCOG

MEMO

To: LCOG Executive Committee
From: Kay Metzger
Subject: S&DS Staffing Update
Date: August 30, 2011

BACKGROUND

This memo is an update regarding the actions under way to address S&DS funding issues. As I shared at our June Board meeting, the funding that S&DS will be receiving from the State for 2011-13 is significantly lower than necessary to maintain the status-quo within our agency. This is due to two contributing factors at the State level; decisions by the Legislature and DHS to fund Transfer Area Agencies on Aging at 85% of what it would cost a State office to do the work, and flawed formulas for calculating the number of staff earned. I won't go into further detail in this memo about these contributing factors but please feel free to contact me if you'd like more background.

As a point of comparison, here are some statistics regarding client counts and funding for S&DS:

Client Counts		DHS Allocation for S&DS, LCOG	
August 2009	14,641	2009-11	\$18,724,675
August 2011	17,558	2011-13	\$19,376,062
Difference	2,917 clients	Difference	\$651,387
% Change	+19.9%	% Change	+3.5%

You may be wondering if S&DS is the only agency in this position. We are not. Similar human service agencies are also addressing funding reductions, such as:

- Multnomah County Aging and Disability Services – anticipating layoffs
- Northwest Senior & Disability Services – No COLA, No merit increases, hiring freeze
- Oregon Cascades West Council of Governments, Senior & Disability Services – No COLA, 12 furlough days, additional contribution for health insurance premiums. However, they are also moving forward to hire an Eligibility Worker and perhaps a half time APS worker to address workload.
- State SEIU – As I understand the agreement, there will be COLAs in Dec. 2011 and Jan. 2013, one step increase allowed over the course of a two year period, workers will pay 5% of their health insurance premium with a \$40 subsidy for people that earn \$2816 per month or less, and 10, 12, or 14 furlough days depending on a person's salary.

WHAT'S HAPPENING AT S&DS

Over the past few months we've been working hard to find ways to reduce our budget to the level necessary. We've already implemented reductions to our non-personnel costs, such as Materials and Supplies. However, since 95% of our budget is for staff time, reducing staff-related costs are unavoidable. Here's a summary of the reduction actions that were implemented first:

- Reduction to Materials and Supplies budget (includes costs for training, supplies, computers, furniture, etc)
- Eliminating the line item for additional or temporary staff during 2011-13
- Limited Duration positions will be allowed to expire, per their contracts, September 30, 2011 (rather than being moved to permanent status).

Furloughs

LCOG/S&DS Management felt strongly that other options should be vigorously explored prior to laying off permanent staff positions. To that end, the following furlough options were implemented effective July 1, 2011:

- S&DS Non-represented Management staff (there are three of us) began taking 1.5 furlough days per month effective July 1, 2011.
- LCOG/S&DS Management worked with both unions: the Employees Association and the Service Employees International Union to evaluate an across-the-board furlough option.
- The Employees Association members (10 S&DS Supervisors, 1 S&DS Contract Manager, 1 S&DS IT Specialist, 1 Senior Meals Specialist) agreed to 1.5 furlough days per month effective July 1, 2011.
- The SEIU members (totaling about 95 staff) did not accept any furlough options. As a result, LCOG/S&DS had to move forward to reduce the staffing level within SEIU by 5 positions.

Voluntary Separation Incentives

Consistent with LCOG's strong preference to keep as many people employed as possible, we moved to a 'Plan B' strategy, which was Voluntary Separation Incentives. SEIU staff were given the opportunity to voluntarily separate from the agency with a financial incentive based on years worked. As a result, 5 people were approved to receive a Voluntary Separation Incentive with the agreement they separate from LCOG/S&DS no later than September 30, 2011. As the next step, the S&DS Management Team determined which positions within the organization would be eliminated (as compared to the "holes" created by the Voluntary Separation Incentives).

And finally, we are now at the point in which the pieces are falling into place. If there is anything positive about this difficult process, it is that we've been able to successfully finesse our way through this reduction in force without sending any permanent S&DS staff person to the unemployment lines. We are now in the midst of re-distributing workload amongst the remaining positions, as there has been no reduction in work and our caseloads continue to climb monthly. However, in the midst of these reductions our core mission still stands and we continue to seek to help seniors and people with disabilities by providing quality services and information that promotes dignity, independence and choice.