

 <p style="text-align: center;">Council Communication Office of the City Manager</p>	Date: May 23, 2011
	Agenda Item No. 61 Roll Call No. <u>11-939</u> Communication No. <u>11-334</u> Submitted by: Douglas C. Romig Housing Services Director

AGENDA HEADING:

Approving Reduction of Staff

SYNOPSIS:

Recommend approval and authorize the City Manager to implement the diminution of two positions within the Housing Services Department; including the issuance of appropriate layoff notices.

FISCAL IMPACT:

Amount: \$336,000 in funding reductions from FY2011 Federal Budget and other losses of income

Funding Source: U.S. Department of Housing and Urban Development and Polk County

ADDITIONAL INFORMATION:

On March 23, 2011, the City Managers Office issued a communication to the Des Moines City Council regarding the reorganization of the Housing Services Department. The City of Des Moines Housing Services Department is comprised of two major divisions; 1) Des Moines Municipal Housing Agency (Public Housing and Section 8 vouchers); and 2) Des Moines Community Action Agency (LIHEAP energy assistance, education and referral services). Both divisions serve low-income families.

The Des Moines Municipal Housing Agency (DMMHA) Division is currently comprised of six (6) sections Accounting, Leasing, Maintenance/Inspections, Occupancy, Office Management and Supportive Services. Upon evaluation of both divisions' related to operational efficiencies and federal budget cuts in FY11, staff is recommending implementation of its restructuring plan within the department in an effort to be more efficient while maintaining service levels. Both Divisions are 100% supported through federal and/or State funding sources and both have Administrative expenses of rent and staff, with the majority of the remaining funds being passed through to support the City's lowest income families in need of housing; financial assistance for energy bills/disconnections, furnace repairs/replacements, fans/window air conditioners (medical need), staffing the food pantry, providing Energy Wise and Financial Foundation educational classes, etc.

The final passage of the FY11 Federal Budget resulted in a combined loss of \$366,000 to the Housing Services Department; \$230,000 Des Moines Municipal Housing Agency and \$136,000 Des Moines Community Action Agency, including a \$55,000 reduction in Weatherization administrative support from Polk County. In an effort to balance the Housing Services Department budget, staff will be

implementing the new business model for the Community Action Agency Site Offices by scheduling meetings with clients versus maintaining office hours, paper and postage reductions along with researching other operational expense reductions. These changes will result in a portion of the savings with the remaining reductions coming from the elimination of three positions within the department, two of which will be through lay-offs and the third through a previously transfer of one employee to vacant position within another position and elimination of that position within the Community Action Agency Division. The diminutions of positions need Council authorization to lay off the affected employees pursuant to Iowa Code Chapter 400.28. It is expected that the general layoff date will not be sooner than June 10, 2011, or later than June 30, 2011. The names and classification of the two employees to be laid off are listed below:

Cheryl Bolden, Community Action Site Supervisor
Sara Henry, Occupancy and Program Enforcement Administrator

PREVIOUS COUNCIL ACTION(S): NONE

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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