

# AFSCME LOCAL 88

## Special Committee

as called by the President

*“Bridging the future...”*



# BUDGET TASK FORCE

## ACTION REPORT 2009

with recommendations & ideas for 2010



Prepared by: Larry Bartasavich & Lee Dudley  
in conjunction with the Budget Task Force.

Updated: 05.06.08

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## Background & Purpose

Local 88 leadership saw the economy begin to unravel as the rest of the country did in September of 2008. Recognizing that this downturn had the potential to be long-term and cut dramatically into Multnomah County's budget and thus Local 88 positions, Local 88's President and Vice-President formed a Budget Task Force of fourteen volunteers.

The Budget Task Force was formed to accomplish three primary goals: preserve as many Local 88 jobs as possible, preserve core County services to the community, protect the local economy by keeping people employed rather than on unemployment rolls which further worsen Oregon's struggling economy.

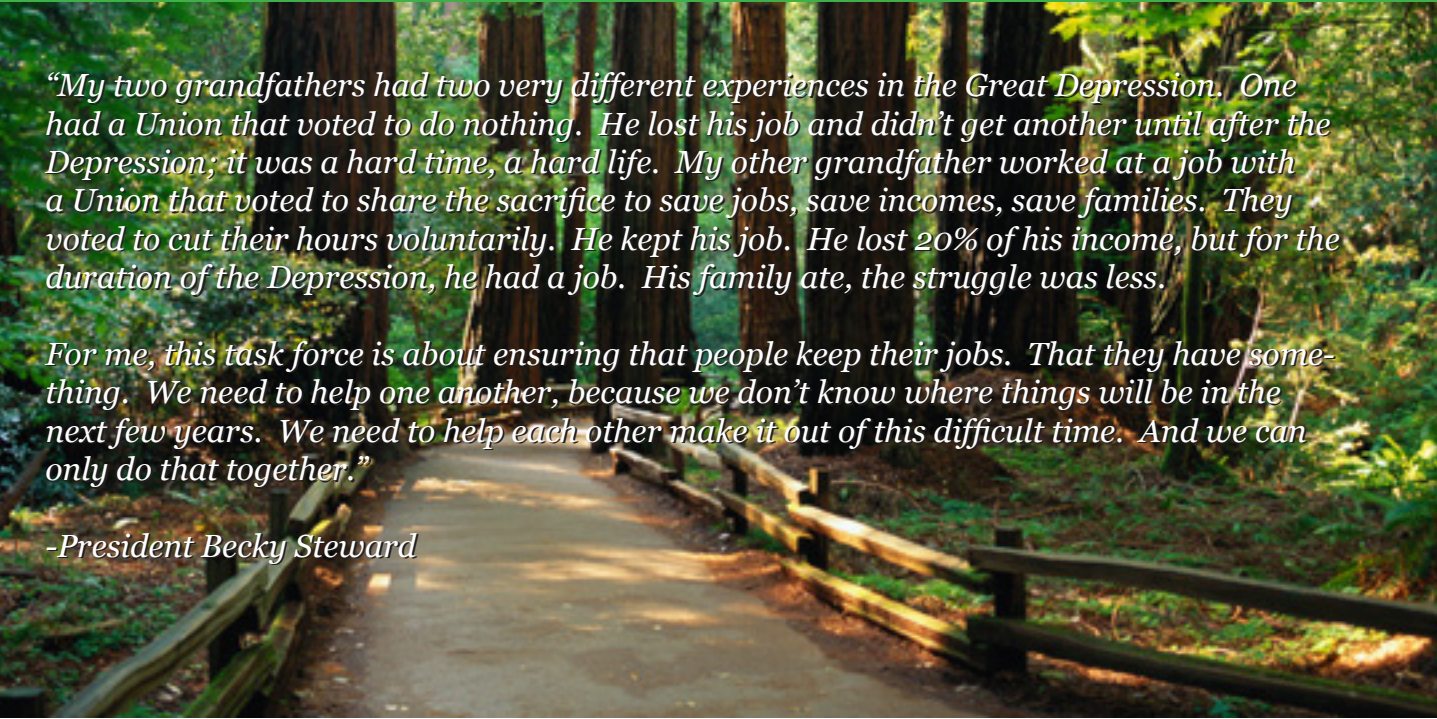
The Task Force met weekly beginning in November until February and now meets about once every other week. The first meetings were about gathering data -- what is the state of the county's finances, how many positions exist in management and represented staff, where is our funding coming from and where will it likely be cut, and so on. As these numbers were assembled the Task Force took to the job of coming up with ideas that would save the county money. The list that was generated was extensive and wide-ranging.

Taking the list of ideas and then calculating the savings, we made a new list that contained the ideas that would save the largest amount of money and therefore the largest number of Local 88 jobs.

These ideas were then submitted to the members to survey their preferred option(s). From this, we then negotiated with the county on an acceptable option both sides could live with.

The Task Force is now engaged in creating metrics to ensure that the agreement will be honored, staff to management ratios are represented properly during the lay-off process, and other oversight activities to save money and more importantly ensure the largest number of Local 88 positions are saved.

- April 2009



*“My two grandfathers had two very different experiences in the Great Depression. One had a Union that voted to do nothing. He lost his job and didn’t get another until after the Depression; it was a hard time, a hard life. My other grandfather worked at a job with a Union that voted to share the sacrifice to save jobs, save incomes, save families. They voted to cut their hours voluntarily. He kept his job. He lost 20% of his income, but for the duration of the Depression, he had a job. His family ate, the struggle was less.*

*For me, this task force is about ensuring that people keep their jobs. That they have something. We need to help one another, because we don’t know where things will be in the next few years. We need to help each other make it out of this difficult time. And we can only do that together.”*

*-President Becky Steward*

## Local 88 Executive Board

### Officers

**President: Becky Steward**

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**Vice-President: Michael Hanna**

Email: [vicepresident@local88.ws](mailto:vicepresident@local88.ws)

**Secretary: Candace Hjort**

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**Treasurer: Jeanne Ramsten**

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### Trustees

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**Larry King**

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*“we sought to find the least treacherous road forward...”*

### Mission Statement of the Budget Task Force

To assist in creating cost-savings for the county so that job cuts can be kept as low as possible, impacts on the community and families minimized, and our core services the county provides can be continued effectively.

## Local 88 Budget Task Force

**President: Becky Steward**

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**Vice-President: Michael Hanna**

Email: [vicepresident@local88.ws](mailto:vicepresident@local88.ws)

**Treasurer: Jeanne Ramsten**

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**Chief Steward: Gary Magnuson**

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**E-Board Representative: Grant Swanson**

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**Webmaster: Lee Dudley**

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## A History of the Local 88 Budget Task Force Actions in 2009

Local 88 leadership saw the economy begin to unravel as the rest of the country did in September of 2008. Recognizing that this downturn had the potential to be long-term and cut dramatically into Multnomah County's budget and thus Local 88 positions, Local 88's President and Vice-President formed a Budget Task Force of twelve volunteers.

The Budget Task Force was formed to accomplish three primary goals: preserve as many Local 88 jobs as possible, preserve core County services to the community, protect the local economy by keeping people employed rather than on unemployment rolls which further worsen Oregon's struggling economy.

During this time, Local 88 leadership reached out to all the other County bargaining units to seek collaboration, but they were not ready to work on this issue.

The Task Force met weekly beginning in November until February and now meets about once every other week. The first meetings were about gathering data -- what is the state of the county's finances, how many positions exist in management and represented staff, where is our funding coming from and where will it likely be cut, and so on. As these numbers were assembled the Task Force took to the job of coming up with ideas that would save the county money. The list that was generated was extensive and wide-ranging.

Taking the list of ideas and then calculating the savings, we made a new list that contained the ideas that would save the largest amount of money and therefore the largest number of Local 88 jobs, for this coming fiscal year.

The Task Force took the top three options that were within Local 88's control (a wage freeze, reduced work hours, unpaid furlough time) and issued information requests to the county to get data on these options.

The Budget Task Force educated our members about the economic crisis with an Economic Town Hall in the evening, as well as roving brown bag sessions with the executive members of the union's board, updating the website, and newsletter articles.

The Task Force created an online survey to determine the willingness of our membership to take each of the three options. The survey showed the potential cost savings and approximate number of jobs saved. A very large percentage of our members took the online survey.

The survey results showed the majority of Local 88's members supported all three options. We started a lobbying effort met with every county elected official. Our data and proactive approach was highly appreciated by all elected officials. They felt less constrained about layoffs and were glad to have more options in this difficult budget year. It's worth noting that while county officials were focused on budget issues, Local 88 had its numbers and calculations completed and was able to provide options and lead the way in helping the county bridge the budget gap while saving jobs at the same time.

Based on member feedback and preferences, the President and Vice-President discussed our options with the County Chair's office. During the negotiations the county and Local 88 were only able to agree on one option -- the wage freeze -- but were able to get a strong Memorandum of Agreement. The strengthened MOA included language enforcing proportional staff to management cuts; which has not been done in the past, where more AFSCME members were laid off and more managers kept. This MOA ensures that Local 88 will not be abused in this fashion again. The strengthened language also assured an accounting of how many positions in which department will be saved from the savings achieved.

The executive staff then scheduled a vote of the membership, and aggressively informed our members of the details and options, and held extensive brown bag meetings (Q&A sessions) with our members.

Members voted to support a COLA and step (merit) wage freeze for this fiscal year (June 30, 2009-June 30, 2010) by 63%. We had 50% potential votes (only members could vote), which is an outstanding turnout. In addition, we received 100 signed yellow membership cards on voting day increasing our membership to 84.6%.

Local 88 held a joint Press Conference with the County Chair and Board of Commissioners, that was aired on local TV, radio and newspapers. AFSCME Local 88 was praised for its proactive efforts and bold leadership.

It is estimated that our wage freeze will save approximately 75-100 jobs, which likely cuts the number of Local 88 represented staff who will be forced to leave the county in half.

We will know by end of May how many positions are saved, and it is expected that those members whose jobs were saved will forever remember that their co-workers stood with them in solidarity and took a small personal sacrifice during difficult economic times.

## Summary of Ideas the Task Force Generated

This list is neither exhaustive or comprehensive, but a sample of the ideas generated. Those **bold** & underlined were the most favored by the membership and produced the largest dollar amounts.

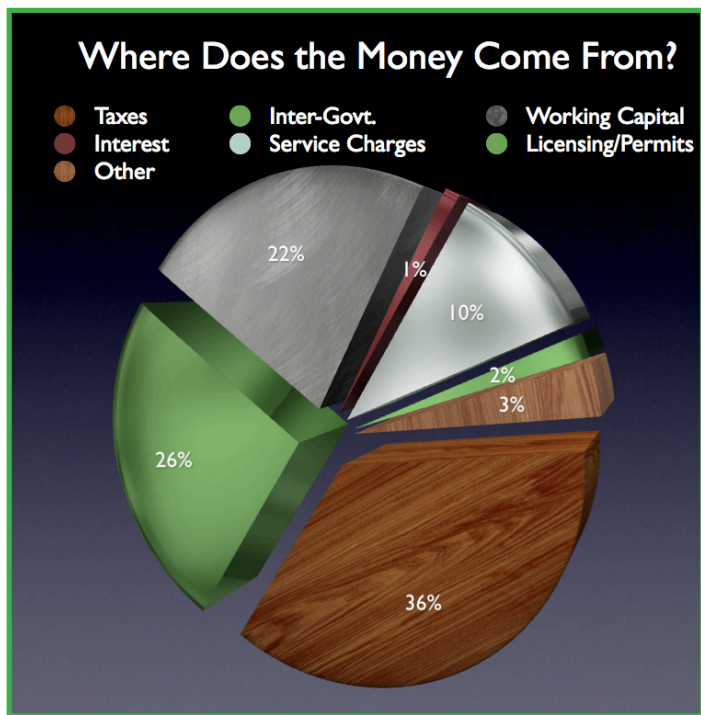
- Implement Adobe Connect to Force a Reduction in County Travel.
- Eliminate Crystal Reports (\$87,000 license annually, few users).
- Convert all Microsoft Servers to Linux; eliminates Microsoft licensing fees.
- **Two weeks off unpaid with benefits; taken as desired or all at once.**
- **Freeze step increases for a year.**
- Go to a single Health Plan – Everyone in Kaiser or everyone in ODS.
- Join with other jurisdictions to pool health costs, lower premiums.
- Increase health care premium share.
- Four 10-hour shifts for all but public facing, public safety services.
- Create within the County a sustainable, green public utility that functions to generate an operating profit. Solar, wind, tidal power from rivers, and hydrogen fuel cell power generation.
- Savings realized by departments need to be attached to the departments that realize those savings.
- **Reduced work week (37.5, 36, or 32 hour work week) for everyone.**
- Eliminate contract services.
- **Wage freeze + COLA freeze.**
- Pay management less.
- Require a fixed management-to-represented ratio of 8:1 or 10:1 in all departments.
- Reduce motor pool size.
- Cut or eliminate out-of-state training and review on an annual basis.
- Eliminate management bonuses. (Represented staff are not eligible for this.)
- Eliminate management merit days. (Represented staff are not eligible for this.)
- Managements to declare and charge their hours for sick time; FLSA guidelines.
- Offer early retirements.
- Eliminate cell phones and Blackberries for non-essential management personnel.
- Review use of technology for abuse and ways to maximize in ways that it saves money.
- Eliminate legacy systems that are not in SAP and should be.
- Eliminate telework policy.
- Harmonize strategy with other unions to negotiate with the county.
- Increase energy efficiency in buildings (insulation, etc.).
- Eliminate vacant office space and sell off emptied buildings.
- Sell the Marlene Building at market value.
- Sell the Hansen Building at market value.
- Temperature and lighting regulation in buildings.



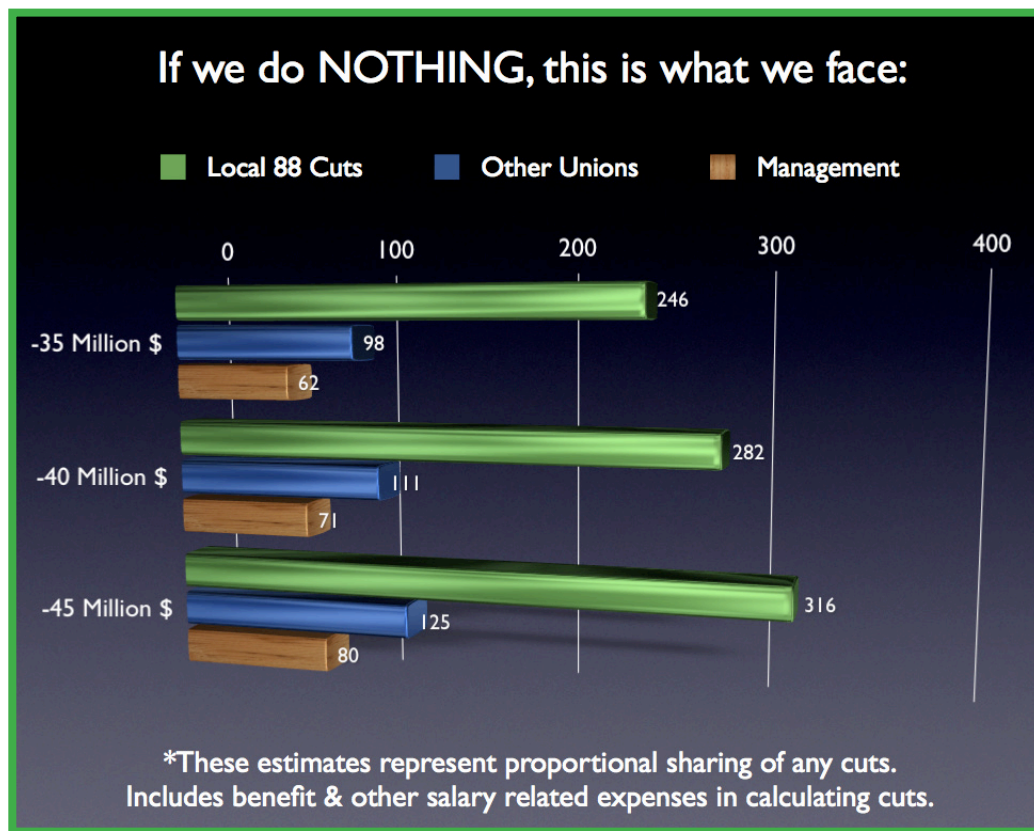
Not all of these ideas were favored by the Task Force. As stated earlier, this is merely a sample of the ideas the committee generated and what was suggested by members. It is intended as a historical record.

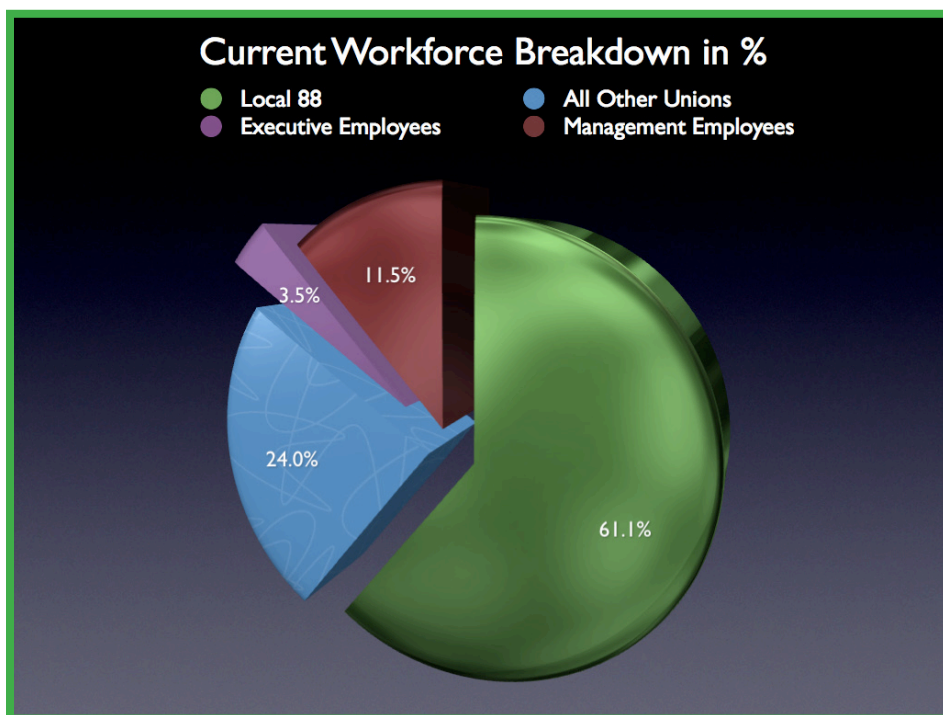
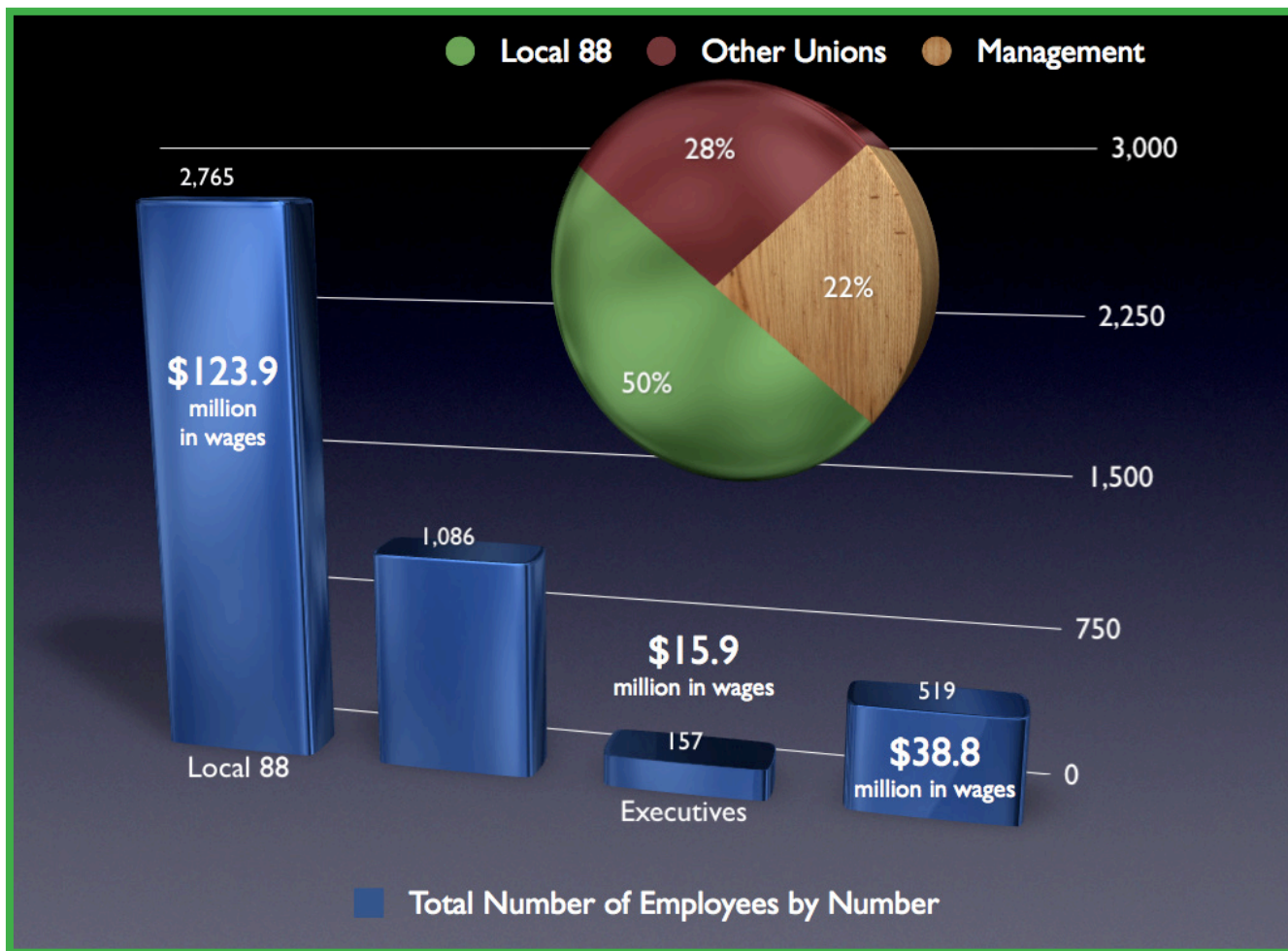
**Legislative Request:** Craft a state sales tax that can be no larger than 7%, cap property taxes at 1% of assessed value, eliminate the income tax. Allow cities to add a maximum of 1% to the state sales tax that will be given only to the municipality in which the sale took place (split evenly between the city and county).

## By the Numbers: County Revenue



## By the Numbers: Cuts with No Union Action





### By the Numbers: Workforce Statistics

**Revealing Fact:**

Since 2001, represented staff has taken 10% of all reductions.

Management has only take 5.1%.





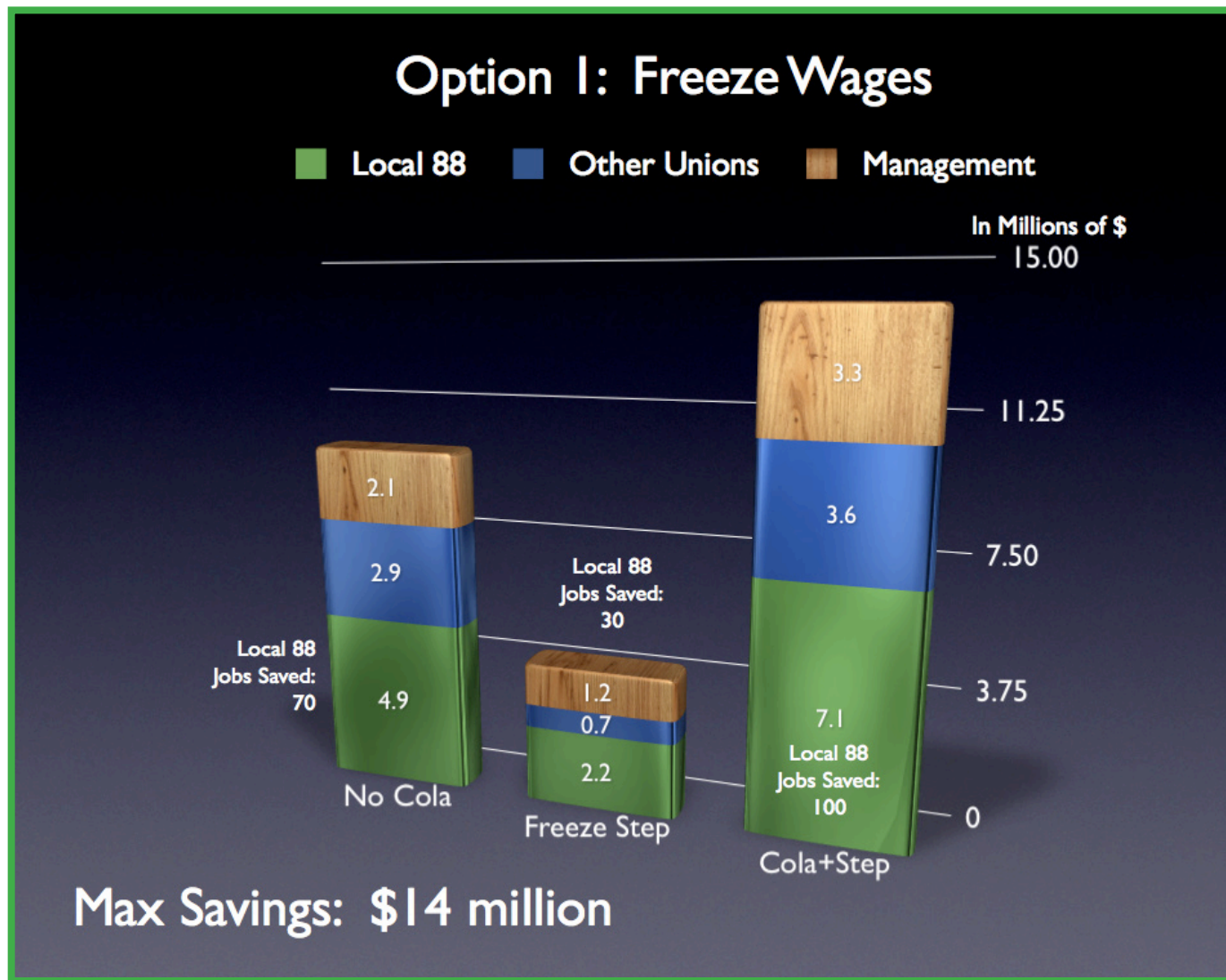
## Requirements Task Force Imposed Before Negotiating

- Any solution is for 12-months ONLY.  
Renewable, if needed and if agreed to by the membership.
- REQUIRES a proportional participation of management in the solution and proportional reductions.

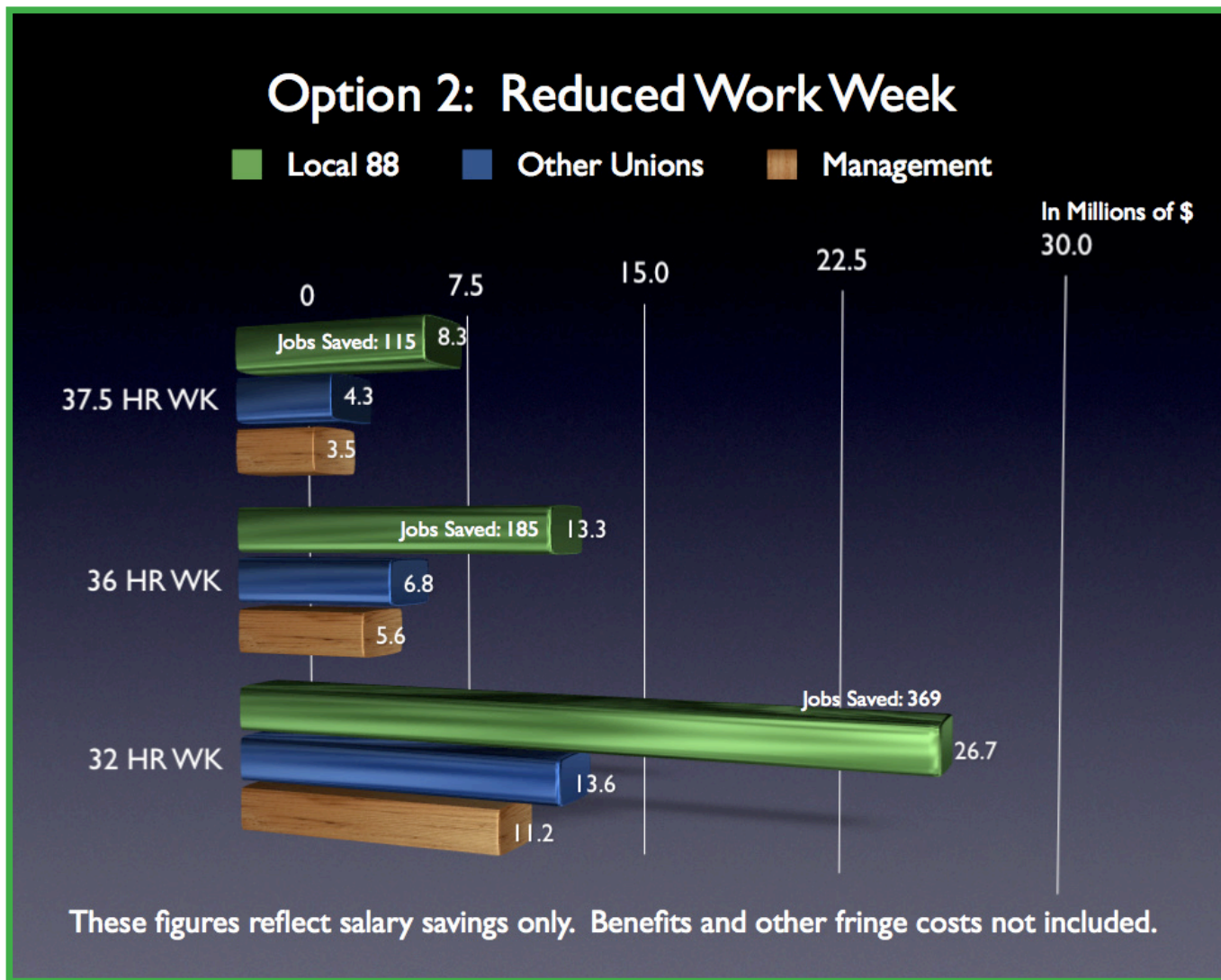
Note: Both of these requirements made it into the Memorandum of Agreement.

## Biggest Options (note: figures are approximate, not exact)

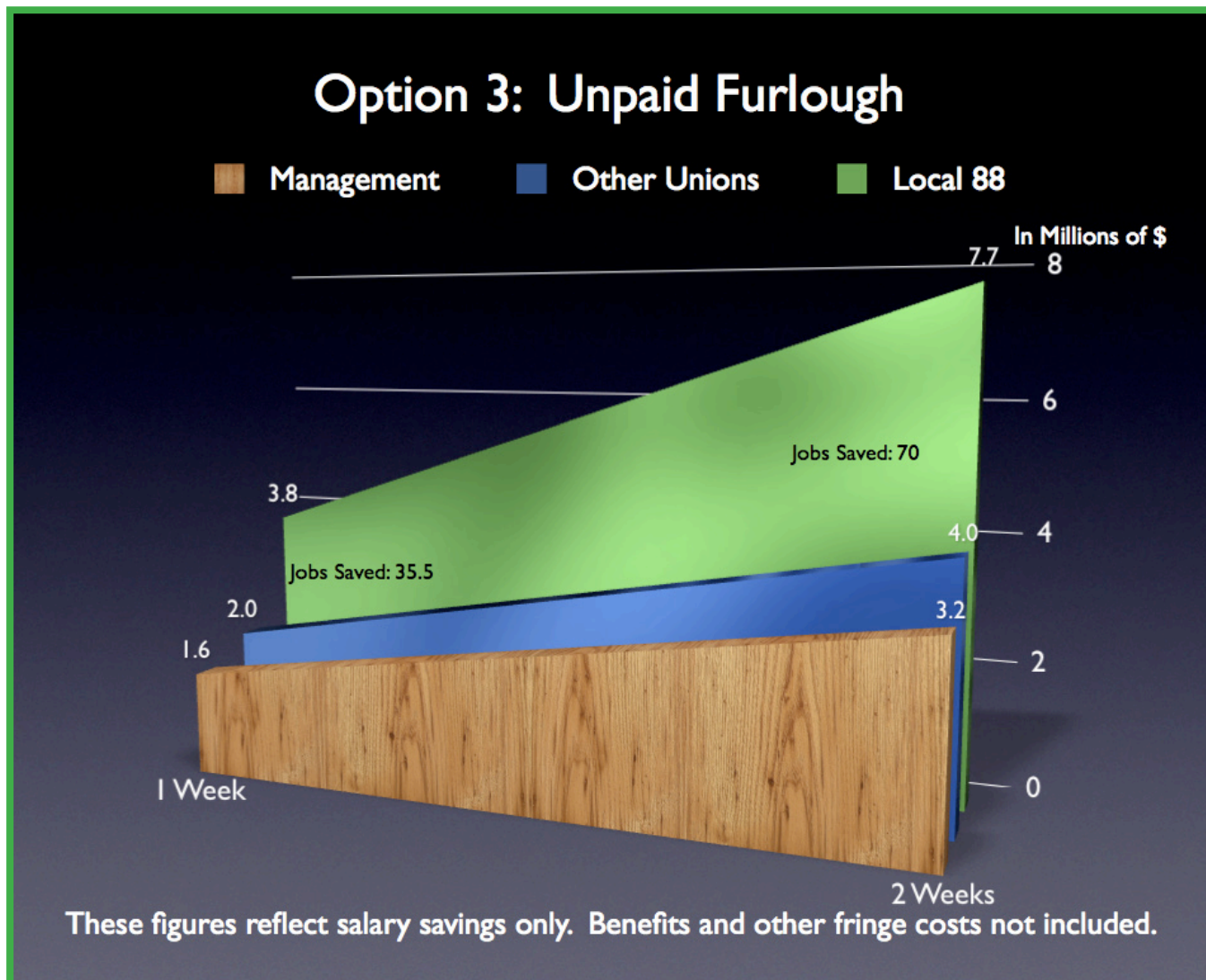
### Option 1: Wage Freeze



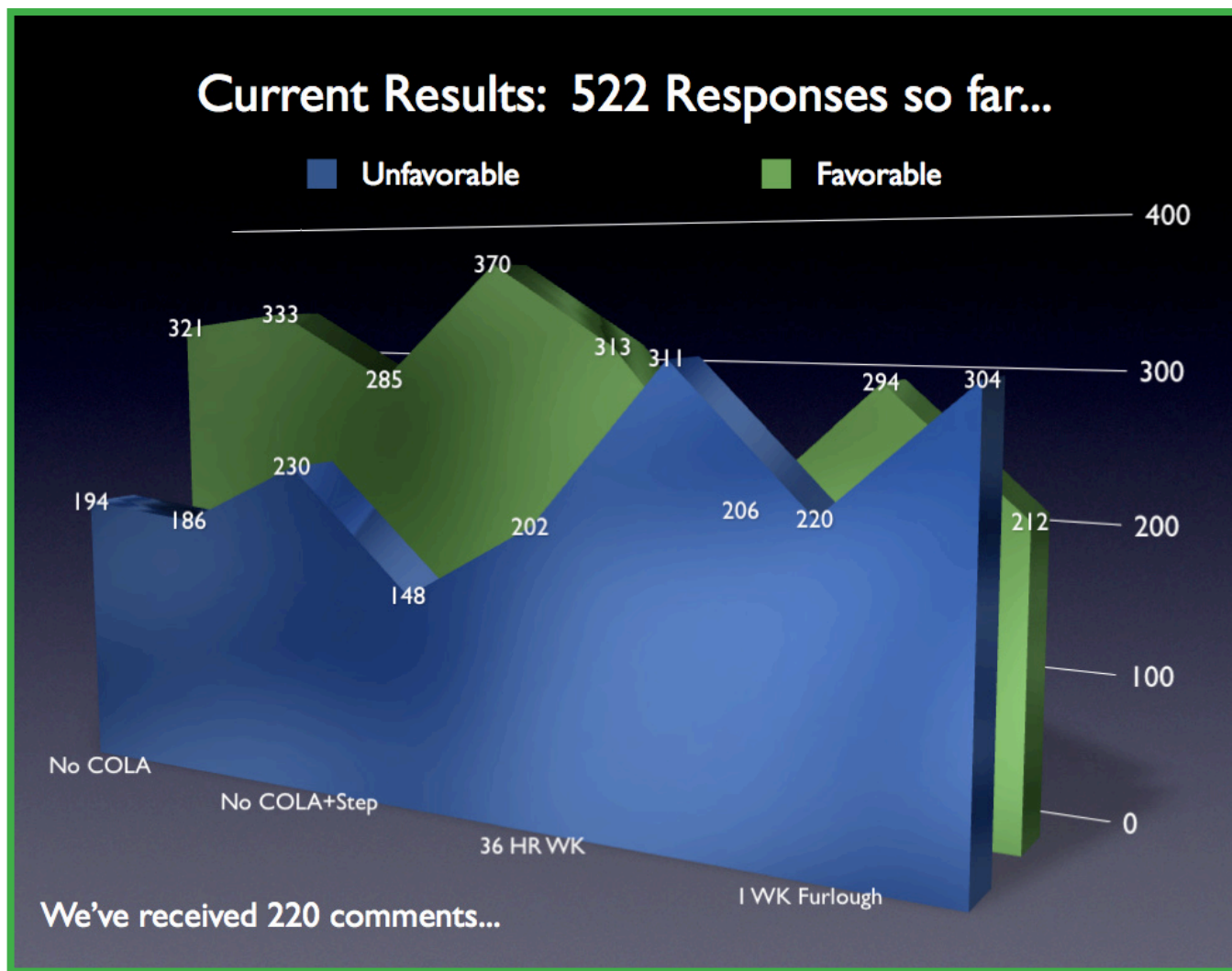
## Option 2: Reduced Work Week



## Option 2: Mandatory Furloughs



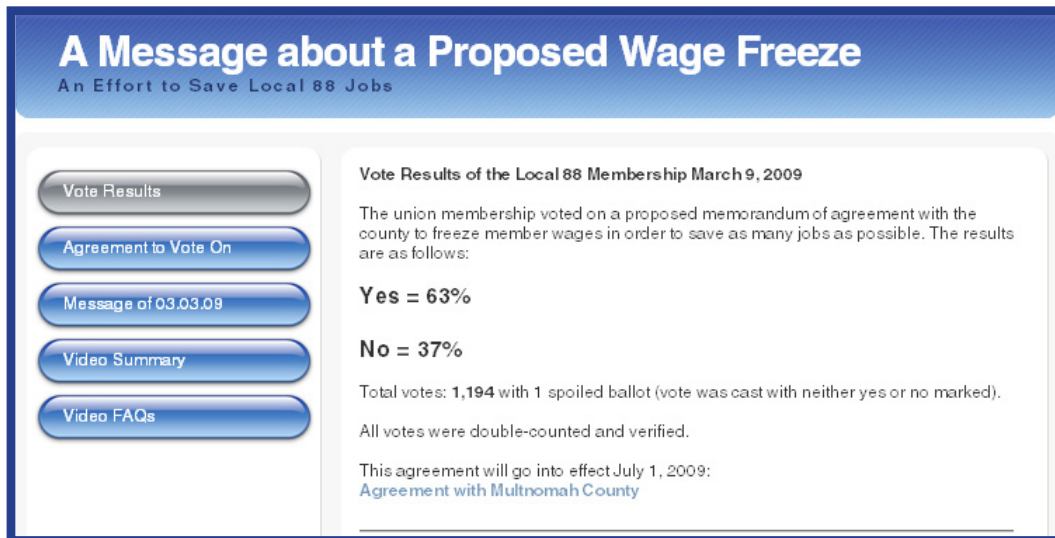
## Survey: Results



These were not the entire number of results received, however, the end results matched the proportions represented in this graphic.

## Vote Results on the Proposed Memorandum of Agreement

Members voted to support a COLA and step (merit) wage freeze for this fiscal year (July 1, 2009-June 30, 2010) by 63%. We had 50% turnout (only members could vote), which is outstanding. In addition, we received 100 signed yellow membership cards on voting day increasing our total membership to 84.6% of all potential workers.



The screenshot shows a webpage titled "A Message about a Proposed Wage Freeze" with the subtitle "An Effort to Save Local 88 Jobs". On the left side, there is a vertical menu of five buttons: "Vote Results" (highlighted), "Agreement to Vote On", "Message of 03.03.09", "Video Summary", and "Video FAQs". The main content area on the right is titled "Vote Results of the Local 88 Membership March 9, 2009". It contains the following text: "The union membership voted on a proposed memorandum of agreement with the county to freeze member wages in order to save as many jobs as possible. The results are as follows: **Yes = 63%** **No = 37%** Total votes: 1,194 with 1 spoiled ballot (vote was cast with neither yes or no marked). All votes were double-counted and verified. This agreement will go into effect July 1, 2009: [Agreement with Multnomah County](#)".

Vote results as displayed on the Local 88 website (<http://www.nexuspdx.com/L88M/index.html>).

## Close Coordination with Council 75 & Legislative Efforts

In addition to the efforts of Local 88 at the county level, Local 88 has worked closely with Oregon AFSCME Council 75 in its efforts to alleviate the tremendous pressure that all jurisdictions find themselves this year. Ideas have percolated throughout the locals in Council 75 and efforts are ongoing.

Notably, Council 75 is working closely with our state lobbyists to promote legislation that helps address the structural deficits that local municipalities find themselves in, to promote new sources of revenue that are not punitive to the public, and other ways of safeguarding jobs and services that are vital to the communities that AFSCME members serve.

We welcome any ideas and suggestions as we navigate the months and years to come.

## Future Savings Ideas

As you can see from the partial list of ideas that we listed on page 6, three rose to the top because of their fiscal impact. But that leaves a lot of other ideas on the table that, while not the biggest financial savings, could still save the county money or generate revenue.

We repeat that list here in hopes that as we move into 2010 they are kept in mind and worked on to supplement what has already been agreed to. The Budget Task Force has agreed to review some of these ideas and others for possible savings in the future. Again, please note not all ideas are favored by the task force but are being listed for the historical record.

Please add to it and help us think of creative ways to keep our fiscal house sound so that our jobs and services can be safeguarded for the future. Visit [www.local88.ws](http://www.local88.ws) and let us know your ideas.

- Implement Adobe Connect to Force a Reduction in County Travel.
- Eliminate Crystal Reports (\$87,000 license annually, few users).
- Convert all Microsoft Servers to Linux; eliminates Microsoft licensing fees.
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- Eliminate vacant office space and sell off emptied buildings. > *County has in progress.*
- Sell the Marlene Building at market value. > *County has in progress a retrofit, not sale.*
- Sell the Hansen Building at market value. > *County has in progress a retrofit, not sale.*
- Temperature and lighting regulation in buildings. > *County has in progress.*

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TAID  
3-5-2009  
CLB  
B

**Memorandum of Agreement  
"Wage Freeze"**

**A. Parties to the Agreement**

The parties to this Memorandum of Agreement are Multnomah County, Oregon (hereinafter "County") and Multnomah County Employees Union, Local 88, AFSCME, AFL-CIO (hereinafter "Union") on behalf of represented employees.

**B. Background**

Whereas, there is a major economic crisis gripping the entire country and there have been millions of job layoffs;

Whereas, there is an unprecedented General Fund shortfall which requires massive adjustments;

Whereas, Union members have voted to participate in negotiating cost-saving alternatives so that the job cuts can be kept as low as possible;

Whereas, Union members are dedicated to the communities we serve and live in and want to preserve direct core services as much as possible;

Whereas, there has been an overall reduction of represented FTE over the past 9 years at a rate significantly higher than the level of management reductions;

Whereas, the Chair has directed that management employees' salaries will be frozen for fiscal year 2009-10;

Now, therefore the parties agree to forego any wage increases for the fiscal year 2009-10, with the savings to be used to save Union jobs and the services they provide.

**C. Agreement**

1. The Union hereby agrees to suspend Article 14.I.C Wage adjustment for July 1, 2009, forgoing the annual cost of living adjustment to wages for fiscal year 2009-2010.

2. In addition, the Union agrees to suspend Article 15.II.B, such that no

Union represented employee shall receive a step increase for fiscal year 2009-2010.

3. Within 30 days after the release of his executive budget, the Chair agrees to notify the Union of the total amount of savings that result from the wage freezes agreed to under paragraphs 1 and 2 of this MOA.

4. Within 30 days after the release of his executive budget, the Chair further agrees to notify the Union of the total amount of savings by department and fund, and the number of Local 88 positions, by job classification and department, which he retains in his budget as a result of these savings.

5. The Chair is committed to an equitable distribution of cuts between represented and management service positions, to the extent possible within program and service needs.

**This Memorandum of Agreement is effective upon signature of the parties.**

**Executed on** \_\_\_\_\_

**For the County:**

**For the Union:**

\_\_\_\_\_  
**Carol Brown**  
**Labor Relations**

\_\_\_\_\_  
**Bryan Lally**  
**Council 75 Representative**