

# CITY OF LOS ANGELES

CALIFORNIA

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April 23, 2024

The Honorable Councilmember Bob Blumenfield  
Chair, Budget, Finance and Innovation Committee  
Room 395, City Hall  
Los Angeles, CA 90012

ATTN: Luigi Verano, Legislative Assistant  
Office of the City Clerk

## **RE: PROPOSED BUDGET FISCAL YEAR 2024-25 (FY 2024-25)**

Dear Councilmember Blumenfield,

On behalf of the staff of the Los Angeles Department of Aging (Department), I would like to thank you for the opportunity to share our input on the Mayor's proposed Departmental budget for the Fiscal Year 2024-25. We appreciate the tremendous effort and consideration that the Mayor and Office of the City Administrative Officer (CAO) made in developing the City's budget, particularly in light of the current economic climate. We understand that the City's fiscal situation has recently changed dramatically because of projected revenue shortfalls and salaries increases. We fully recognize that the City faces tremendous financial challenges now and in the near future. We are also aware that the recommendations put forth by the Office of the Mayor and CAO reflect this new reality.

Nevertheless, we believe that the proposed budget does not reflect another grim reality that the City must confront, a reality that continues to grow daily. In short, City residents are living longer. Seniors want to retain their autonomy and independence. The most recent demographic data shows 1.2 million City residents are over the age of 50, nearly 900,000 are over the age of 60 years, and about 280,000 are over the age of 75 years. These numbers will increase substantially across all older adult age groups. Further, the racial and ethnic profile of the older population is changing. It is no longer a white, non-Latino majority, but rather it is multi-ethnic, multicultural, and multilingual. Forty percent of households with an older adult have limited English proficiency, and nearly 50 percent of these households speak a language other than English at home.

Older Angelenos are increasingly experiencing greater levels of social isolation and are becoming more economically vulnerable. More than 40 percent of older adults live alone. Poverty levels are high among older adults. One in four live below 150% of poverty level and

many rely on federal, state, and local support for their day-to-day living expenses. Many are disproportionately impacted by the threat of eviction, subject to financial fraud and abuse, and challenged with unanticipated medical costs, all of which contribute to housing instability. As a result, older adults not only make up nearly a quarter of the population experiencing homelessness but also are the fastest growing demographic among this population. Many unhoused older adults are falling into homelessness for the first time after 50 years of age, and most are ill-equipped to deal with this new reality.

Moreover, food insecurity continues to be a primary concern among older adults. Food insecurity and homelessness are inextricably linked, as income insecure seniors must choose between paying for housing, food, recurring bills, prescriptions and other medical costs. This is increasingly difficult for seniors on fixed incomes and with ever diminishing benefits.

In light of this stark reality, we are concerned that the proposed budget unintentionally impacts key administrative and programmatic capabilities, which may lead to service levels reductions for some of the City's most vulnerable residents. It eliminates funding for the Rapid Response Senior Meals Program (RRSMP), which currently serves 5,800 food insecure seniors receiving meals. It reduces the General Fund (GF) allocation of the Evidence-Based Programs by 14 percent, impacting 4,000 seniors who benefit from key disease prevention and health promotion services. It proposes the elimination of two recently vacated positions, representing a four percent reduction in the Department's staffing. Also, as older adults constitute the fastest growing homeless population, the Department's request to expand the Older Worker Employment Program to serve six additional unhoused older adults will be unmet.

### **Key Proposed Achievements**

The Department manages an Older Adult System of Care (consisting of 16 Multipurpose Senior Centers, three mini-Multipurpose Senior Centers, and a variety of core services important to older adults) and is entrusted with educating and providing assistance to seniors and their caregivers. As a Department that administers millions of dollars in federal, state, and local grant funds, we are responsible for ensuring the fiscal integrity of our operations, including timely and accurate reimbursement to our service providers, and for ensuring regulatory compliance with grant fiscal requirements, including responding to fiscal reviews and audits by the City Controller and by federal and state agencies.

In preparing our budget proposal, we focused on three overarching Departmental goals: to implement strategies that respond to the increasing levels of first-time homelessness among older adults by stemming eviction and improving housing access; to institutionalize equity principles that expand opportunities for seniors; and to provide outstanding services for City residents.

Our proposal reflected the Department's vision of developing a robust Older Adult System of Care, one that addresses the myriad needs of an ethnically diverse and rapidly growing older adult population. Although the allocation in the Mayor's proposed budget will make it more challenging to meet these goals, we will be able to achieve progress in the following:

1. Provide over **1.5 million meals to food insecure older adults** through our staple congregate and home delivered meal programs offered through the Multipurpose Senior Centers;

2. Provide **10,400 information assistance and referrals to critical supportive services** including, but not limited to legal assistance/eviction protection, housing resources, case management, nutrition programs, benefits counseling, evidence-based programs, and social/recreational activities at our 19 Multipurpose Senior Centers;
3. Provide transportation assistance to approximately **3,000 older adults** to get to critical appointments;
4. Serve **750 medically frail and homebound older adults who live alone** through the Emergency Alert Response System, that provides emergency notification and care when they fall or trip at home;
5. Serve a minimum of **25 unhoused older adults** (who are unemployed, have poor employment prospects, and are at-risk of becoming or are experiencing homelessness) through the Department's Older Worker Employment Program that provides subsidized work-based training opportunities in public agencies and community-based organizations.

### Proposed Changes

The Department requests the reinstatement of the Assistant General Manager (AGM) position that was proposed for elimination by the CAO<sup>1</sup>. This position was only recently vacated (November 24, 2023). The CAO indicated that there would be a projected savings to the GF/Subsidized Special Fund of \$81,226 (39% of GF and 6% of Fund 424-Community Development Trust Fund of \$180,503) based on how the funding allocation for this position was being reported. However, this position is actually only 10% funded by the GF/Subsidized Special Fund (5% of GF and 5% of Fund 424), resulting in \$18,050 in salary savings.

This executive management position is critical to managing the Department's key workflows and fiscal operations, ensuring grant management compliance, and preventing potential fiscal liabilities. This position requires an individual with the technical skills and leadership qualities to assess and ensure the reliability of our fiscal infrastructure, to strengthen existing program and fiscal workflows, and to improve efficiencies in day to day operations. The Department currently manages more than \$70 million dollars in local, state, and federal awards, each of which has extensive fiscal and administrative requirements. The ideal candidate would be an existing City employee with extensive knowledge of City policies and procedures as well as with substantial experience in federal and state grants management.

In order to offset the cost of this proposal, the Department proposes to delete a recently vacated (April 6, 2024) Senior Administrative Clerk position with a salary cost of \$65,333. This position is currently 30% funded by the GF, resulting in a GF salary savings of \$19,600 annually. Given that the AGM position is primarily funded by special funds (75% OAA Title IIIB; 10% HICAP; 5% Prop A; 5% GF; and 5% CDBG), the Department's proposed changes will not result in any additional fiscal impact to the GF/Subsidized Special Fund since the changes proffered will completely offset the GF salary costs of the AGM.

### Repurposing and Restructuring Critical Positions

The Department does not have the ability to repurpose existing positions that are already cost allocated to specific grant funded activities. In an effort to launch the RRSMP before the December holidays, the Department repurposed its Direct Services Division staff to handle the enrollment of 5,800 food insecure older adults into the program. As a result, 4,100 staff hours were redirected to the RRSMP instead of grant-funded core supportive services. This has

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<sup>1</sup> CAO Report - Proposal to Eliminate Vacant Positions (CFN 23-0600-S115)

resulted in nearly 900 backlogged calls that are normally handled by this staff. Moreover, in the last three months alone, the Department lost four staff to other City Council-controlled and proprietary departments that are exempted from the Prioritized Critical Hiring process. We are aware that an additional employee is undergoing a background check for a promotional opportunity at another proprietary department. Unless the Department is authorized to promote internal candidates eligible for promotion who are primarily grant funded, we fear that the Department will continue to increase its vacancy rate.

Additionally, the two Senior Management Analyst IIs continue to provide key executive management support (in addition to managing over seven Divisions) that normally would be provided by individuals at the AGM and Chief Management Analyst level. These duties include serving as liaisons to local, state, and federal agencies, responding to inquiries and requests from elected officials, overseeing the administration of multi-year, multi-million dollar grant funds, and addressing personnel-related activities.

### **Strengthening Equity in our Service Delivery and Workforce**

The Department appreciates that the Mayor's proposal recommends the upgrades of a Social Worker I to a Social Worker II and a Senior Management Analyst I to a Senior Management Analyst II. As noted in our budget proposal, these two positions are held by females of color who have the requisite skill, work history, and educational background for these positions. These changes reflect our commitment to increase ethnic and gender diversity in positions of authority within our workforce.

The Department requested additional funding for other initiatives that address health and safety along with equity goals. Unfortunately, these were not included in the Mayor's Proposed Budget.

With the support of the Emergency Management Department (EMD), the Department of Aging requested one Emergency Management Coordinator (EMC) because unanticipated emergency and severe weather events pose unique challenges to and have a disproportionate impact on seniors and caregiver communities. The grim reality is that older adults continue to shoulder the heaviest burden in emergency events, even more so if they are experiencing homelessness. The Department is continually asked by constituents and City partners to provide more comprehensive information prior to and greater support during and after emergency events. To ensure the safety of this population, the Department requires a dedicated emergency preparedness individual with expertise in the unique needs of seniors to develop plans, implement emergency programs and risk mitigation efforts, and identify scalable and appropriate resources for older adults. The EMC would serve as the Department's primary liaison with the EMD; coordinate with local, state, and federal agencies during training exercises; staff the EOC during activations; and educate service providers and community residents on how to better serve older adults.

To develop a more equitable approach to service delivery, the Department considered the over 500,000 Asian and Pacific Islander (API) individuals residing in the City, with more than 320,000 speaking an Asian language in the home. Roughly ten percent of these individuals are older adults. The poverty rate for Asian peoples in Los Angeles is 14.1 percent. Currently, the Department's Older Adult System of Care serves slightly over 950 API older adults, representing about nine percent of the Department's client population. Given the number of API older adults currently served, the Department requested \$450,000 to expand access to our services among these diverse communities. To support this effort, the Department sought to partner with an

existing API community-based organization that would act as a technical adviser to our service provider network as well as a trusted community partner to deliver API appropriate services.

The Public Information Officer is a critical request by the Department intended not only to enhance our outreach efforts to reach as many individuals as well as inform individuals of available services. The goal is to implement effective outreach strategies across a spectrum of culturally, linguistically, and ethnically diverse senior populations. This position will serve to advance equity and support underserved communities by connecting individuals with essential services provided by community partners or by the Department.

### **Closing Remarks**

While we continue to face the realities of a difficult economic road ahead, the Mayor's proposed budget has significant unforeseen consequences for older adults in the City, potentially eliminating services to nearly 10,000 older adult City residents. The proposed budget also impedes the Department's ability to administer effectively its programmatic operations and fiscal responsibilities. Despite the budgetary challenges, we are committed to ensure that City services improve the quality of life, increase independence, promote health, and ensure the dignity of the City's older adult population. We will continue to advocate for the needs of older adults and their caregivers, with a specific focus on serving low income and unhoused seniors; expanding equity principles both in our service delivery model and our staffing capacities and promotional opportunities; and finding creative and effective ways to continue and expand our Older Adult System of Care. The way we respond to the challenges that lie ahead will shape the future of how we as a City serve our seniors with the utmost care, compassion, and integrity.

If I can provide additional information or answer any questions, I can be reached on my cell at (213) 810-4006.

With gratitude,



JAIME H. PACHECO-OROZCO  
General Manager

JHP:mn:FY 24-25 LADOA Mayor Proposed Budget Response

cc. Chris Lee, Deputy City Attorney  
Allison Lamas, Office of the City Administrative Officer  
Maria D. Gutierrez, Office of the City Administrative Officer  
Tony Wilkinson, Chair, Los Angeles Advisory Council on Aging