

March 9, 2007
Mercy Housing and Shelter Corporation.
211 Wethersfield Ave.
Hartford, Ct. 06002

Bill #: S.B. #1338
Hearing Date: 3/13/07

My name is Walter Schawiak and I am Director of Human Resources for Mercy Housing and Shelter Corporation. Mercy is a non-profit organization which responds to the needs of those who are homeless or at risk of becoming homeless by providing them with food, housing, shelter, education and support services. I joined Mercy nearly three years ago after a thirty year career working for the largest Corporations in the city of Hartford. I would like to share my concerns and observations.

Without an increase in COLA funding we will continue to spiral into an increasingly difficult situation with respect to recruitment and retention of qualified care givers. The situation subsequently will raise affordability issues that will impact quality and quantity of service.

Since there is no indication of less service need, ultimately the burden of providing services will shift to government which will be hard pressed to meet the needs at reasonable cost without benefit of support of the non-profit sector. Not an enviable cost benefit business model.

Some points to consider:

- 1) At present our experienced case managers on average earn less than the 2007 UCONN social services grads will be earning in their 1st step into the working world. This is without factoring the average hiring bonus into the equation.
- 2) Within the last year and half we have lost 5 of our experienced case managers to State and City agencies (We have 21 Case Managers on board when fully staffed). These individuals were offered 20%-30% salary increases to leave.
- 3) If we have a 1% COLA, considering our median case managers salary and assuming 20% in federal and state tax withholdings, the change in income will equate to .94 cents per work day.

Chances are that the cost of basic essentials (energy, transportation, food) will increase at a greater rate. In fact I would wager that the price of gas, from the date of this letter till the time it is read will exceed the rate.

I urge you to consider an increase in the COLA.

Sincerely,

Walter Schawiak