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May 7, 2008

To: Board Chairs
County Administrators and Executives

From: Roger Dickinson, Chair, CSAC Human Services Funding Deficit Work Group and
Sacramento County Supervisor

Re: Human Services Funding Deficit And County Budgets

I am writing to follow up on the February memo distributed by the Human Services Funding Deficit Work Group regarding the scope of the nearly \$1 billion in annual deferred administrative cost payments to counties since 2001. Since that time, the Legislature has acted on a slate of mid-year budget cuts, the Legislative Analyst's Office has released a parallel budget proposal, and we are holding our breaths for the May Revise Budget, slated for release next week on May 14.

Unfortunately, neither the frenetic midyear budget activity nor the budget subcommittee actions to date have addressed the nearly \$1 billion county human services funding deficit. However, with the May Revise on the horizon, I am writing to ask all Board Chairs to elevate this issue within your Board and to your legislative delegation.

We urge you to include the Human Services Funding Deficit issue in your **upcoming or ongoing budget hearings**. We are also urging counties to **contact their local legislative delegation** to talk about the local budget impacts of the Human Services Funding Deficit. Finally, we ask that you work to **educate your constituents and the media** about the costs and consequences of the human services funding deficit in your county

To assist you in these efforts, we have posted a number of resources on the CSAC Web site, including the county-by-county human services funding deficit numbers, talking points, and an online feedback form. I have included the link for the online feedback form at the end of this memo as well, as it will be critical to hear from you how the above efforts are being perceived. Please take a few moments to fill it out – it's simple and efficient, and will help lead our work group's efforts in the coming months.

As a result of your efforts, you may encounter the argument that local governments are "rolling in the dough" as a result of increased property taxes generated by the now-defunct housing boom, or since the passage of Proposition 1A in 2004. To counter this argument and reveal the fiscal realities under which counties struggle, CSAC has produced a two-page flier outlining the growth in state and local general fund dollars from 1990 to 2005 (the most recent year for which numbers are available). We have attached this piece, and it can also be found in the Human Services Funding Deficit section of the CSAC Web site with the materials mentioned above.

The slowing economy has placed increased strain on all of our budgets. However, rising caseloads and increased demand for services threaten to consume already scarce county general fund dollars at the same time that the state, already derelict on funding since 2001, is proposing additional cuts to county administration of key programs. We must act quickly and cohesively to get our message out there in this difficult budget season. Your commitment and cooperation on this issue will be critical, and I want to thank you in advance for your assistance.

If you have questions, please don't hesitate to contact me or Kelly Brooks of CSAC at 916.327.7500, Ext. 531, or kbrooks@counties.org.

I want to thank you again for your attention to this important issue.

Sincerely,

A handwritten signature in black ink that reads "Roger Dickinson". The signature is fluid and cursive, with the first name "Roger" and last name "Dickinson" clearly legible.

Roger Dickinson
Sacramento County Supervisor

Please take a moment to fill out our easy Human Services Funding Deficit online feedback form by visiting

http://www.surveymonkey.com/s.aspx?sm=MQho3OxzNdq0UQTaN_2fNDfA_3d_3d

Attachments: County v. State Revenue Growth 1990-2005