



California Counties

How are Revenue
Declines Impacting
Health and Human
Services
Safety Nets?

California Pan-Ethnic Health Network (CPEHN)
Presentation
November 10, 2009

What is CSAC?

- ◆ California State Association of Counties
 - Association of all 58 California counties
 - 296 county supervisors
- ◆ Core mission is to advocate on behalf of California counties

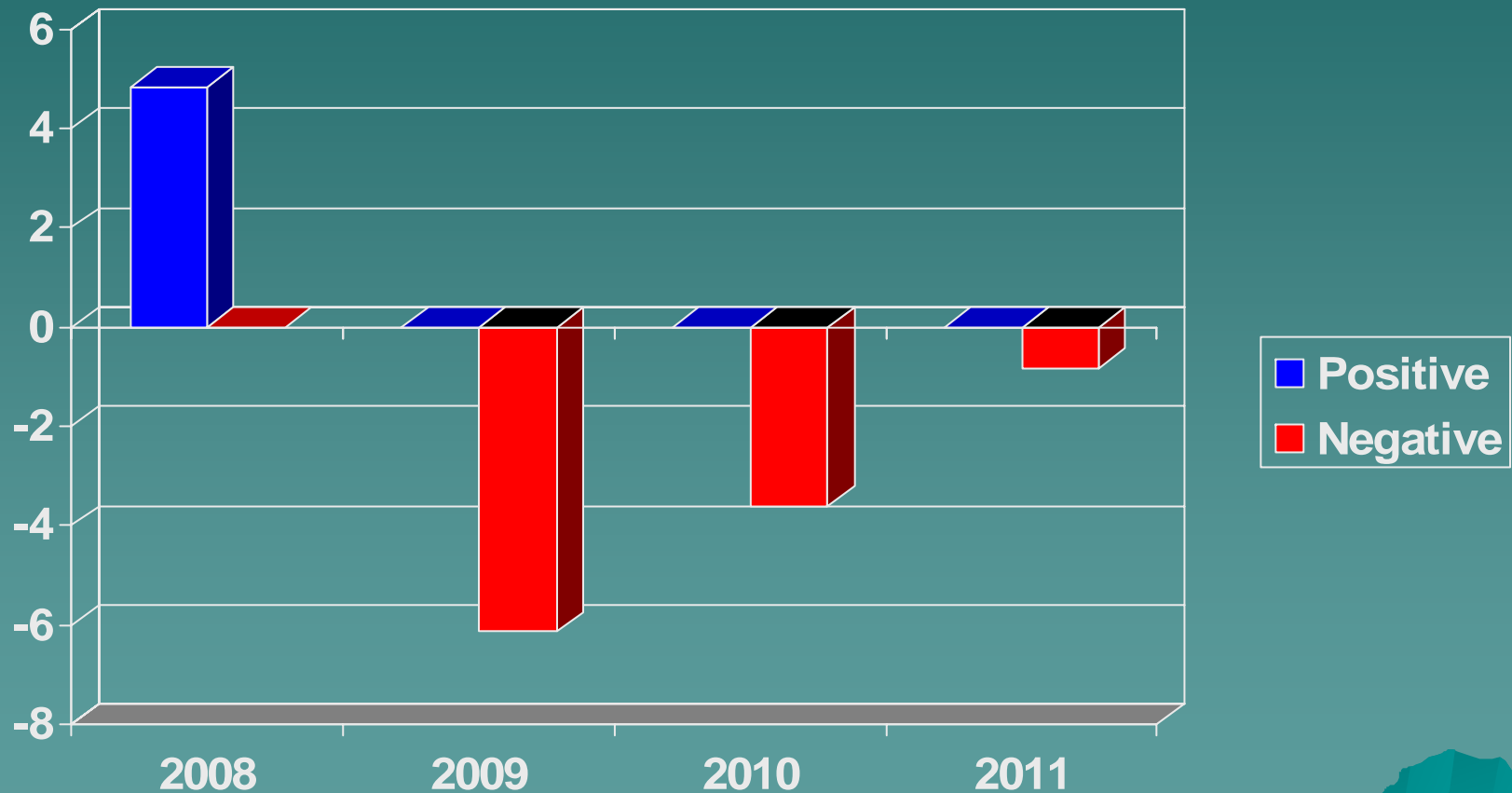
Health of County Budgets

- ◆ Life support
 - State and national recession impacts counties' revenues
 - Demand for services up
- ◆ Counties have had to make deep cuts across the board
 - Stanislaus: \$42 million shortfall (12% cut)
 - Tulare: 55 jobs in Child Welfare Services
 - Alameda: cut 285 positions, 100 in Sheriff's office - \$178 million shortfall
 - Orange: 50 positions cut from Sheriff's Dept.
 - Sacramento: laid off 800 positions countywide
 - Contra Costa: cut more than \$150 million since May

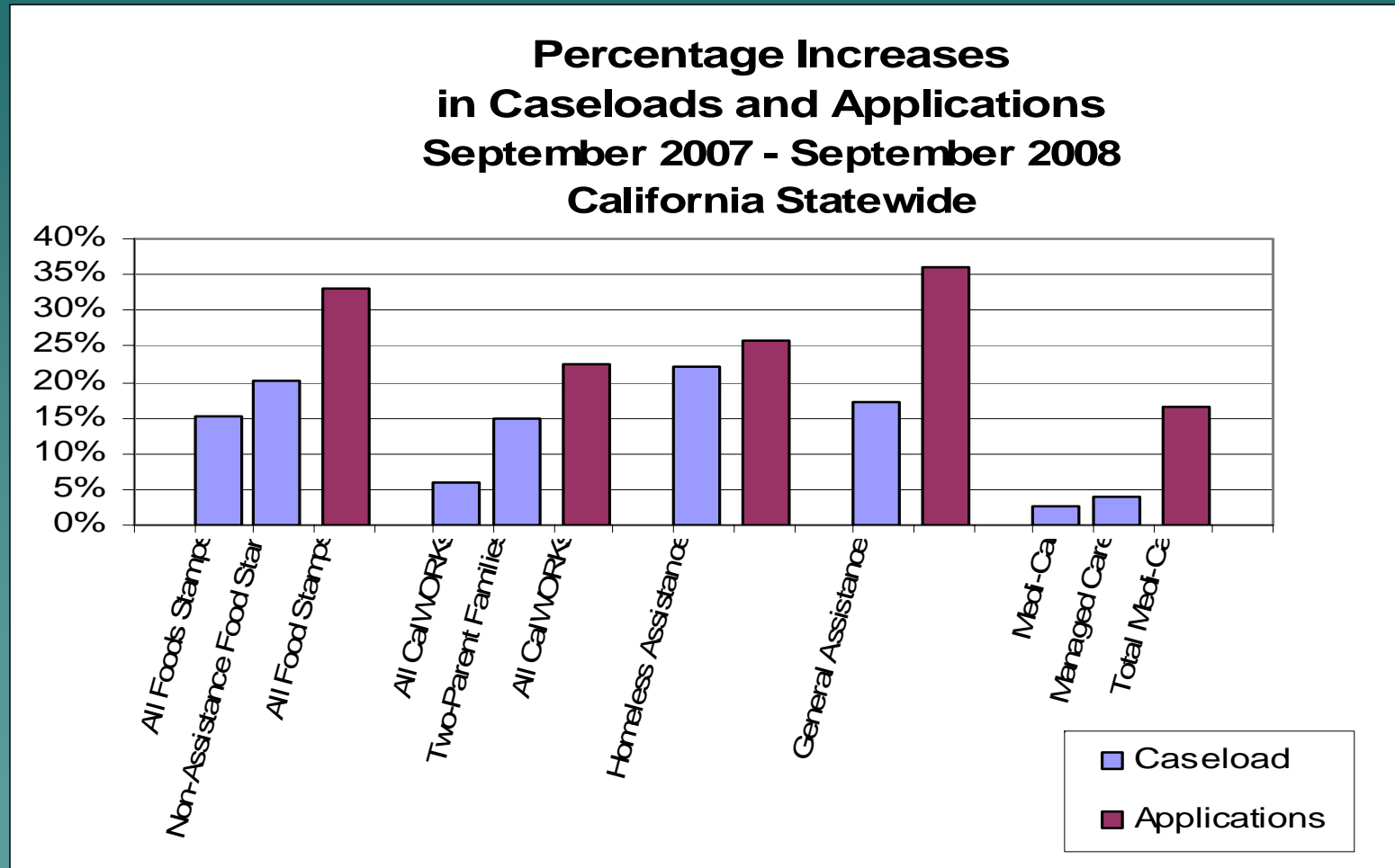
Status of County Revenues

- ◆ Fund sources for county health and social services programs are declining: sales tax and Vehicle License Fees are each down about 10% since 2007.
- ◆ Property tax revenues – an important source of county discretionary revenue – are also declining.

Property Tax Revenue Slump as projected by Beacon Economics



Cuts & Revenue Decline Come at a Time of Increasing Demand



Counties from around the state report huge demand increases for HHS services.

- ◆ Marin County, with the lowest unemployment rate in the state, reports huge lines every morning at the human services department.
- ◆ Food Stamp (SNAP) caseload in Contra Costa County has increased 65 percent.
- ◆ 25% of the residents in Stanislaus County are receiving some form of public assistance.
- ◆ County hospitals are serving more patients: Contra Costa and Los Angeles County hospitals each report a 12 percent increase in patients coming to the emergency room for treatment or prescription refills.

What should people seeking services from counties expect?

- ◆ Fewer alcohol and drug treatment slots and services.
- ◆ Fewer clinics – both primary health and mental health. Those counties continuing to operate clinics have reduced hours and staff.
- ◆ Fewer social workers to assist abused and neglected children in a timely manner.

What should people seeking services from counties expect?

- ◆ Reduced child care and employment services for CalWORKs recipients seeking jobs.
- ◆ Longer wait times to apply for services.
- ◆ Longer wait times to receive services, including waiting lists for some services.

Why don't counties just raise revenues?

- ◆ Counties are limited in our ability to raise revenues.
- ◆ Sales Tax: General sales tax increase requires a 2/3 vote.
- ◆ Special tax
- ◆ Benefit assessments
- ◆ Transit Occupancy Tax (TOT or hotel tax)
- ◆ Property tax: Proposition 13 (1978) prevents counties from raising property taxes.