



Human Services In a Time of Economic Crisis

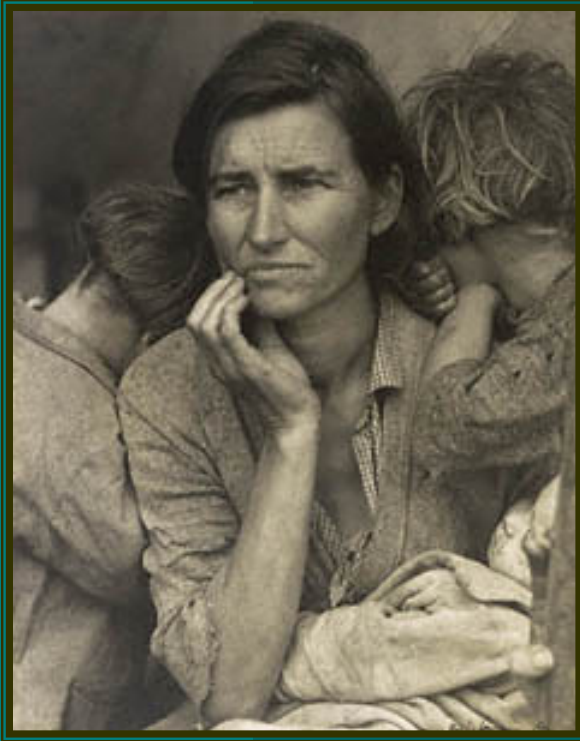
*Santa Barbara County
Department of Social Services*

June 2, 2009

Presentation Overview

- Economy is driving demand for services
- Impacts of demand amid cuts and growing funding gap
- Human Services spending benefits local economy
 - Programs play economic stimulus role
- Ideas for County Action

The Face of Poverty 1936



The Face of Poverty 2009



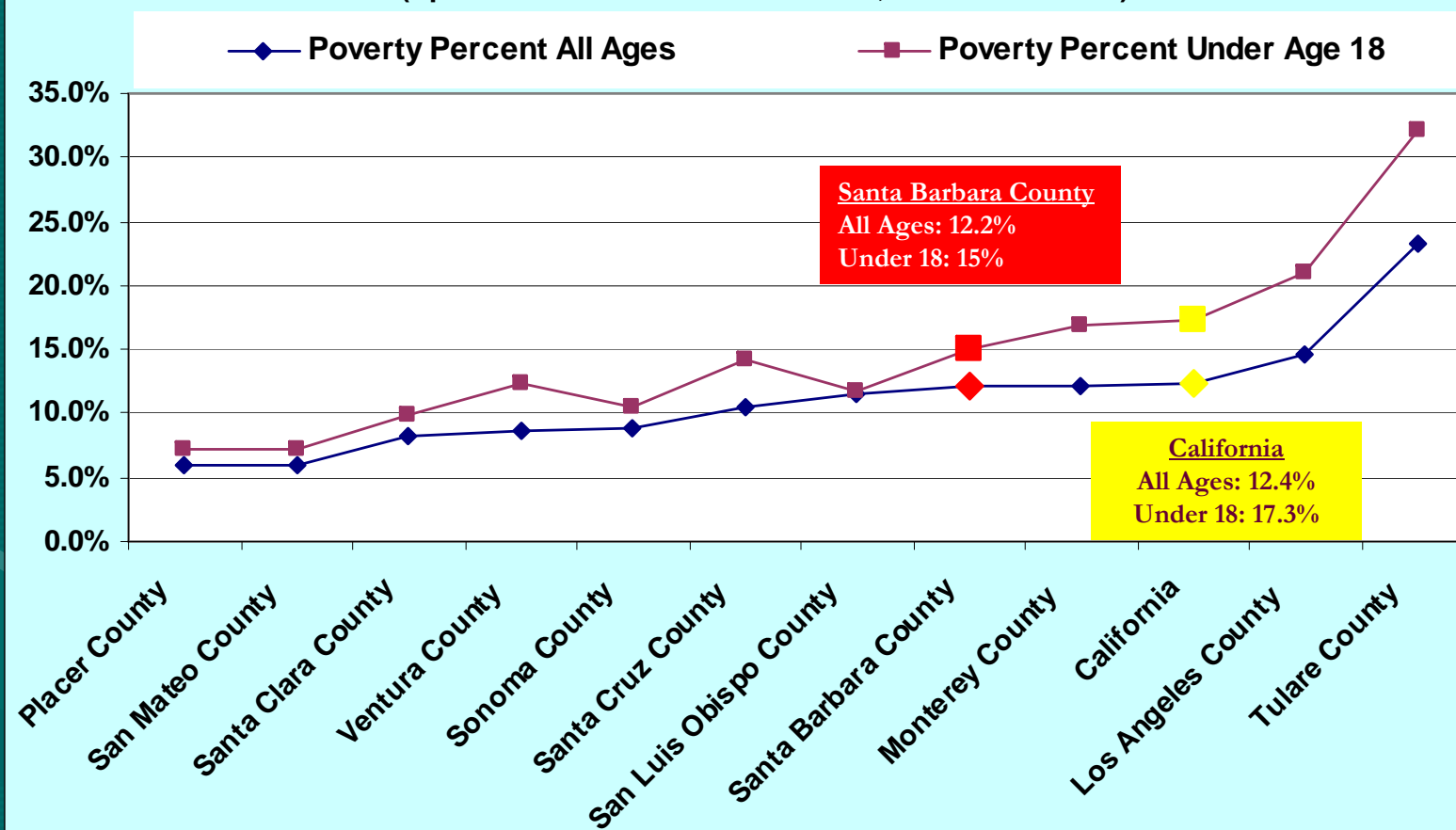
Michael, 19 awaits services at Casa Esperanza in SB. Michael became homeless after aging out of the foster care system.



A homeless man, David and daughters wait in a food line at Pershing Park in SB. The family lost their home after David's work as a contractor suffered a serious decline and his wife's personal fitness business fell off considerably.

Poverty Rates for California Counties in 2007

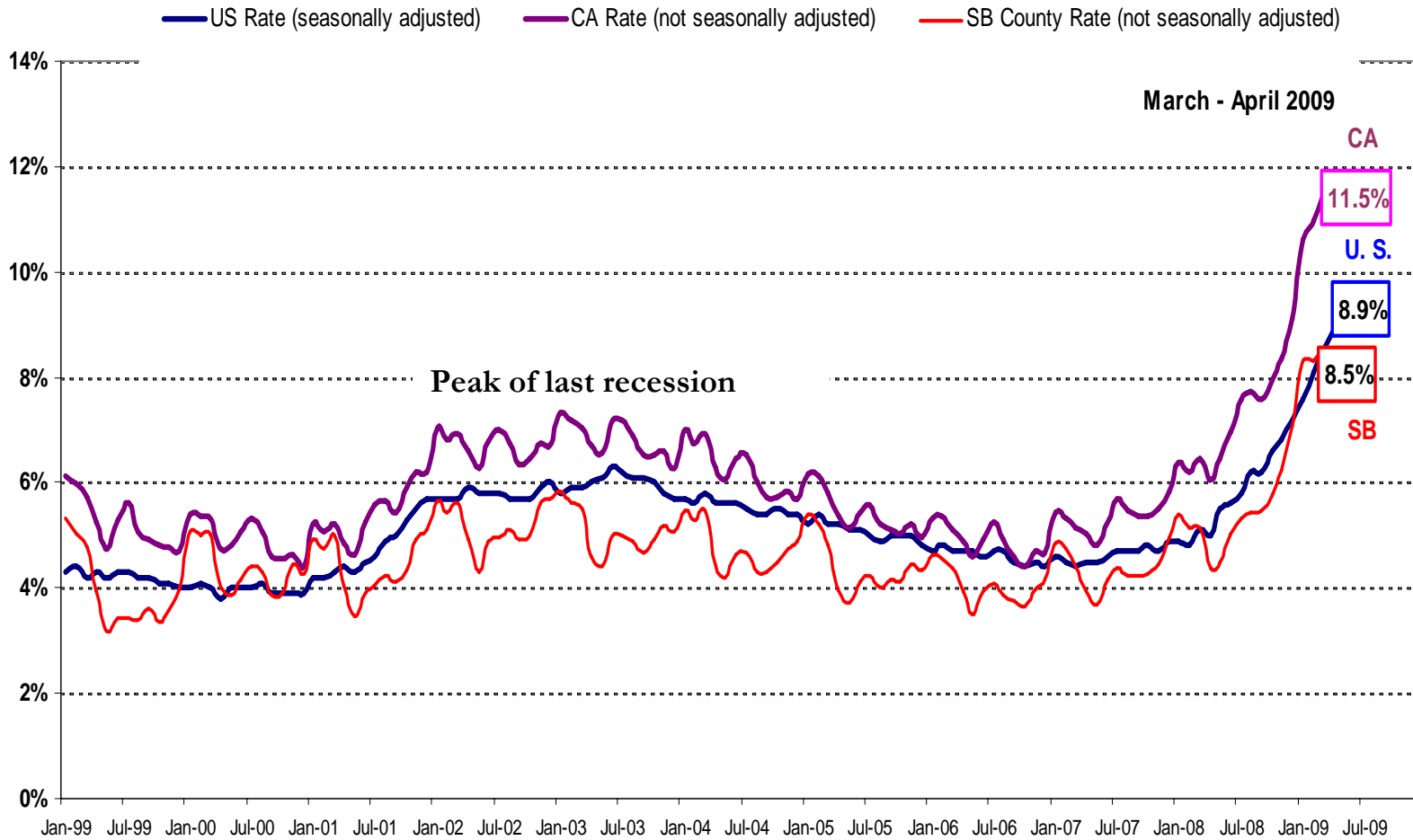
Source: Census Bureau Small Area Income and Poverty Estimates
(optional rates used for counties, school districts)



The Current Economic Recession

- We are in the midst of the deepest recession since the Great Depression
- Statewide, unemployment is at 11.0% and is predicted to rise to an average of 11.7% in 2010
- Countywide, unemployment is at 8.5%, nearing the national average; this is up from 5.2% for the same period last year
- Unemployment in Lompoc is at 15%, Santa Maria at 13.3% and Santa Barbara at 6%

Official Unemployment Rates are at Record Levels and Still Rising

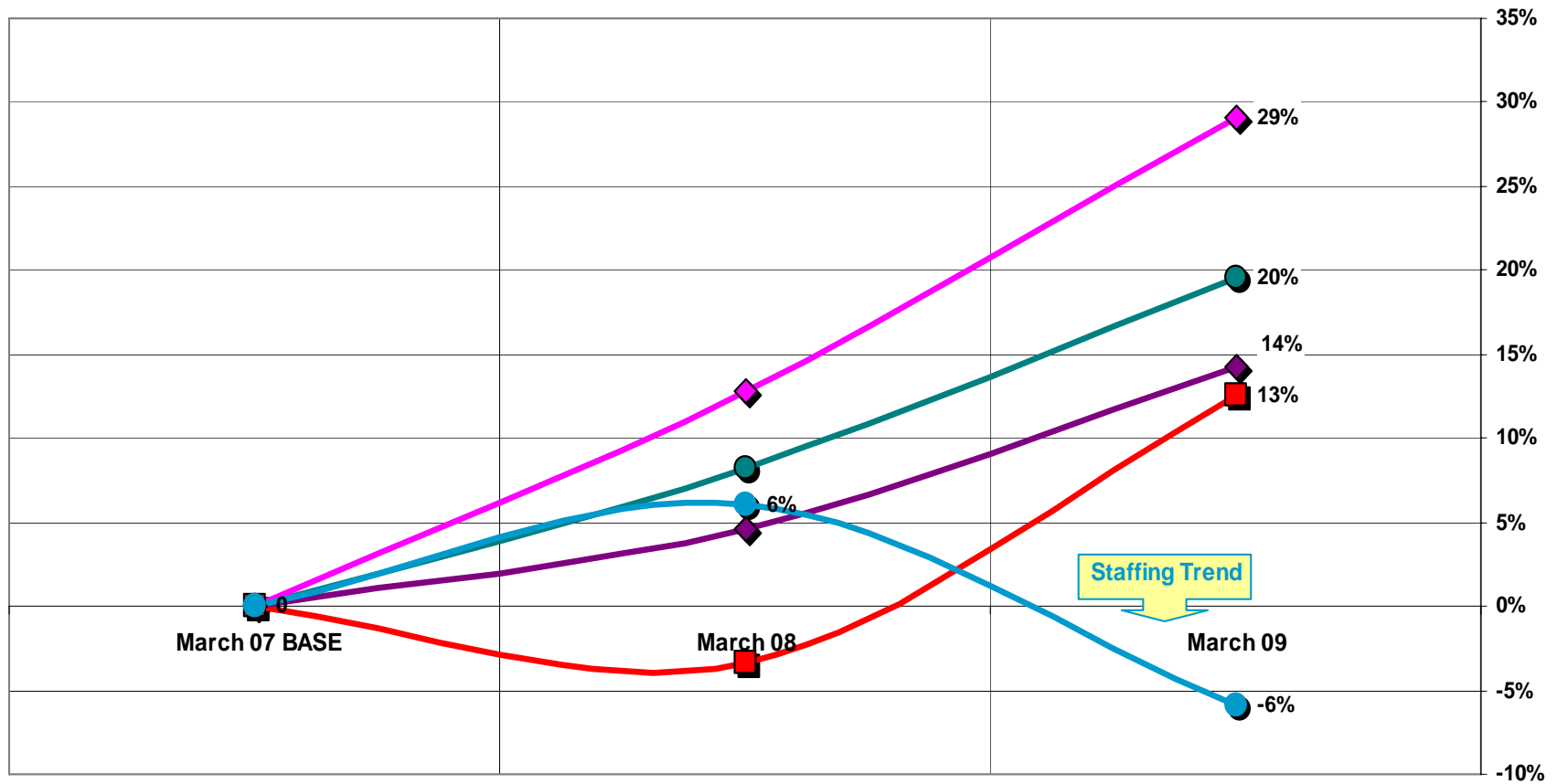


Impact of Recession on Demand for Social Services

- As a result of the recession, applications for services have increased up to 29% since March 2007
- Increase in applications, together with severely diminished resources in human services programs has lead to delays of up to 30 days for those needing services
- Service delays result in lost benefits to the local economy
- While public assistance applications and caseloads continue to rise, line workers available to carry out mandated services have been reduced

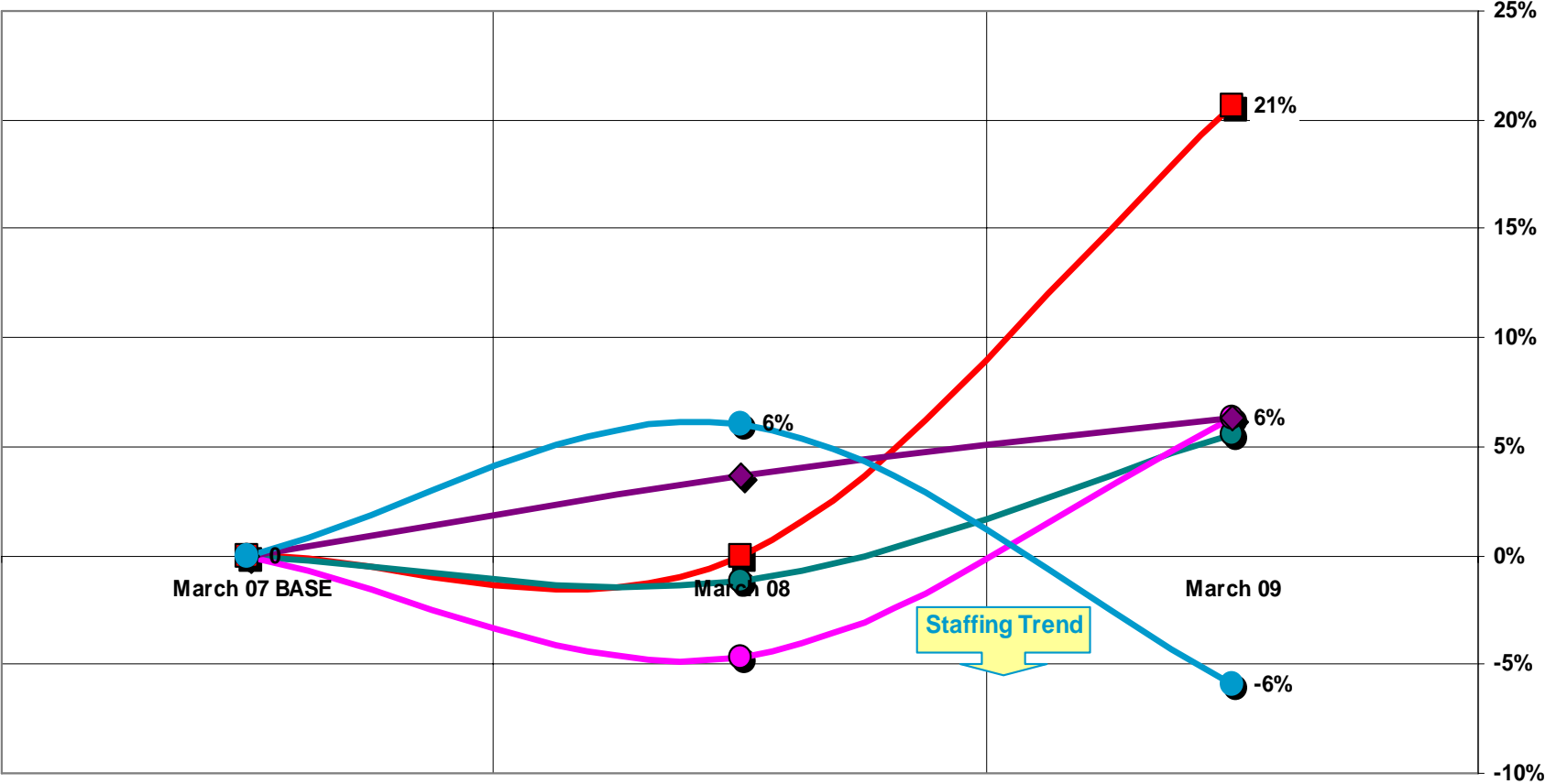
APPLICATIONS FILED - Changes Since March 07 (Fiscal Year to Date)

■ Non-Assistance Food Stamps
 ● CalWORKs
 ◆ General Relief
 ◆ Medi-Cal
 ● Current Staffing



ONGOING CASELOAD Changes Since March 07 (Fiscal Year to Date)

■ Non-Assistance Food Stamps
 ● CalWORKs
 ● General Relief
 ◆ Medi-Cal
 ● Current Staffing



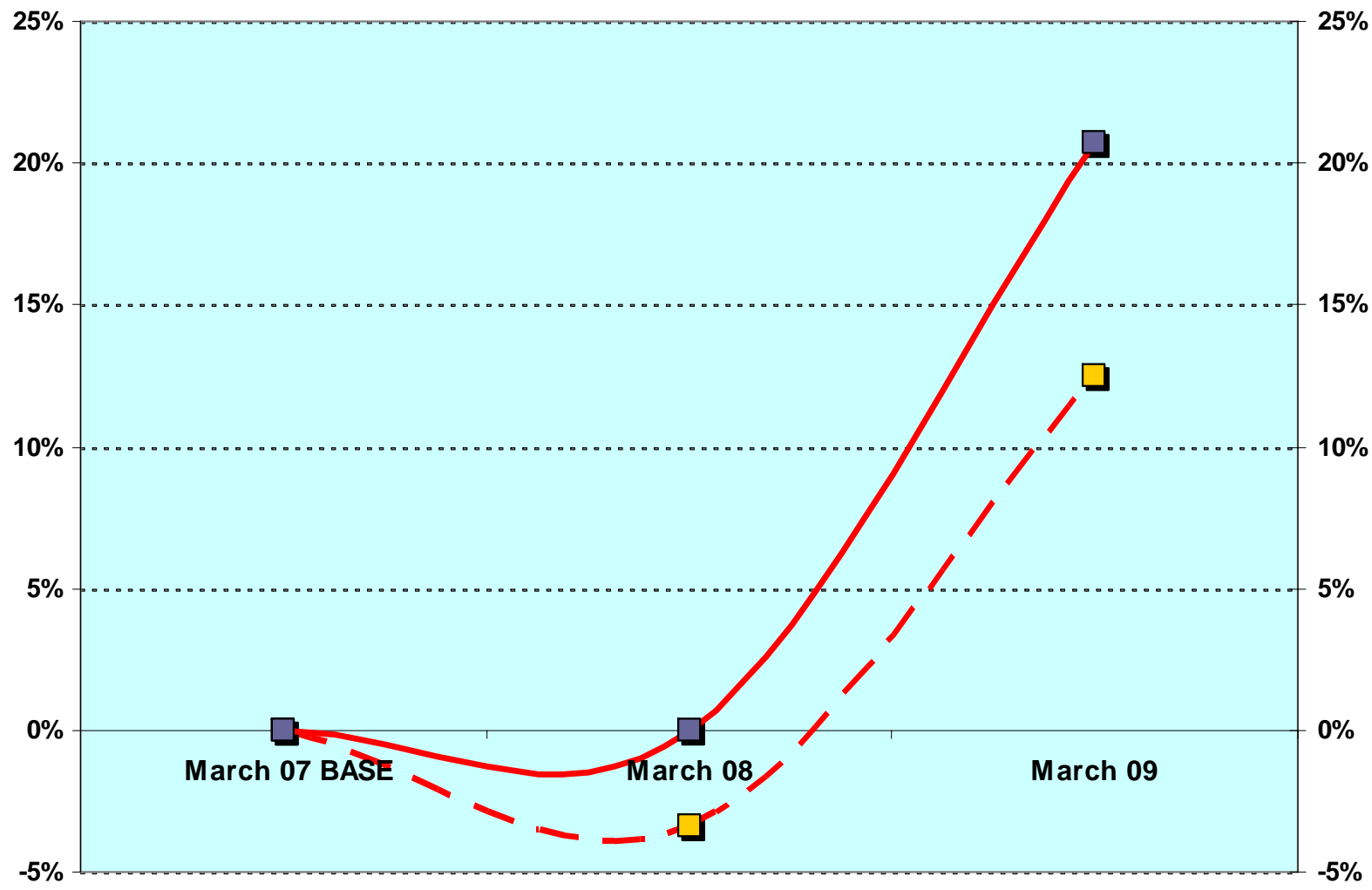
Staffing Trend

The Changing Demographics of Applicants

- Many persons and families now applying for aid have never applied for public assistance before
- Increase in number of working families who are applying
- Many who apply are denied services due to restrictive eligibility requirements
- Food Stamps are the first line of defense in the safety net and the program for which applicants are first eligible
- Food Stamp caseloads have increased 21% as of March 2009, compared to March 2007

Non-Cash Assistance Food Stamps

■ Applications ■ Cases



The New Face of Public Assistance

- Couple with newborn applying for CalWORKs, Food Stamps and MediCal while awaiting eviction from their home in Santa Barbara. Husband worked in entertainment industry as writer but due to recession, had no income for the last year. Family had been meeting needs selling personal belongings - computers, art and antiques acquired over the years. Once all gone, had no alternative but to apply for assistance. Evicted from their house in foreclosure, they also applied for Homeless Assistance.
- Couple with two children owned small business in Santa Maria. Business failed and home lost to foreclosure. Forced to apply for assistance, wife now works 20 hrs./wk. in retail, while husband makes frequent trips out of town looking for employment elsewhere.

The New Face of Public Assistance

- Middle income Santa Maria family with two children, one in private school. Father was family provider; mother has no work history. Father laid off from construction job. Unable to find work and having exhausted unemployment benefits, father abandoned home due to financial and resulting marital stress. Mother granted CalWORKs and Food Stamps; no previous history of public assistance.
- Santa Barbara self employed single mother of 3 lost successful web designing company; not eligible to receive unemployment benefits, evicted from their home, now staying at Transition House and also applying for Homeless Assistance.

Majority Of Those Receiving Benefits Are Children

- In CalWORKs, 80%, or over 9,000 recipients receiving cash benefits are children
- The percentage of children served in CalWORKs from September 2008 to March 2009 has increased by 21.6%
- Almost half (47%) of children served are between the ages 0-5
- 30,000 persons in the county receive Food Stamps monthly. 16,000 (55%) of these are children
- Nearly 1 in 5 children in Santa Barbara County depends on Food Stamps

CalWORKs Resources and Grants

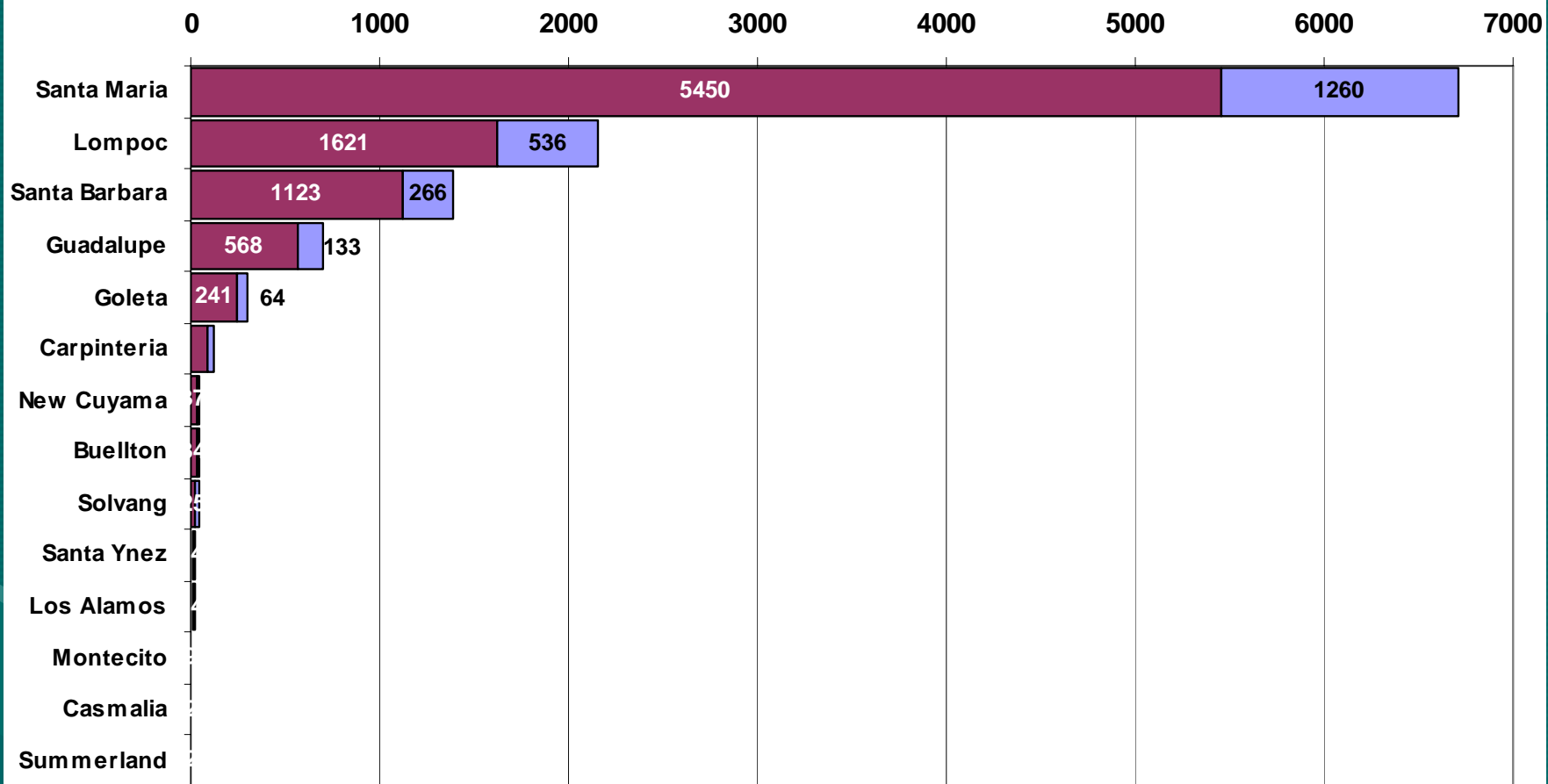
Property Limits - \$2,000 includes:

- Cash on hand
- Money in checking or savings accounts
- Saving certificates
- Trust deeds
- Life insurance cash value
- Some retirement accounts
- Non-recurring lump sums
- Vehicles (multiple factors determine if exempt or countable toward resource limits)
- And many others

Family Size	Current Maximum Grant	Reductions Effective July 1, 2009
1	\$359	\$345
2	\$584	\$561
3	\$723	\$694
4	\$862	\$828
5	\$980	\$941

Cities with CalWORKS Recipients

■ Children ■ Adults



	Summerland	Casmalia	Montecito	Los Alamos	Santa Ynez	Solvang	Buellton	New Cuyama	Carpinteria	Goleta	Guadalupe	Santa Barbara	Lompoc	Santa Maria
■ Adults	1	4	6	9	9	14	7	6	28	64	133	266	536	1260
■ Children	2	2	9	14	14	25	34	37	94	241	568	1123	1621	5450

Human Services Funding Deficit

- Counties are legislatively mandated to administer human services programs on the state's behalf
- Funding for mandated state and federal programs remains frozen at 2001 levels for costs such as worker salaries, worker's compensation, pension costs, health care costs, energy, transportation and leases

The Growing Gap in State & County Funding

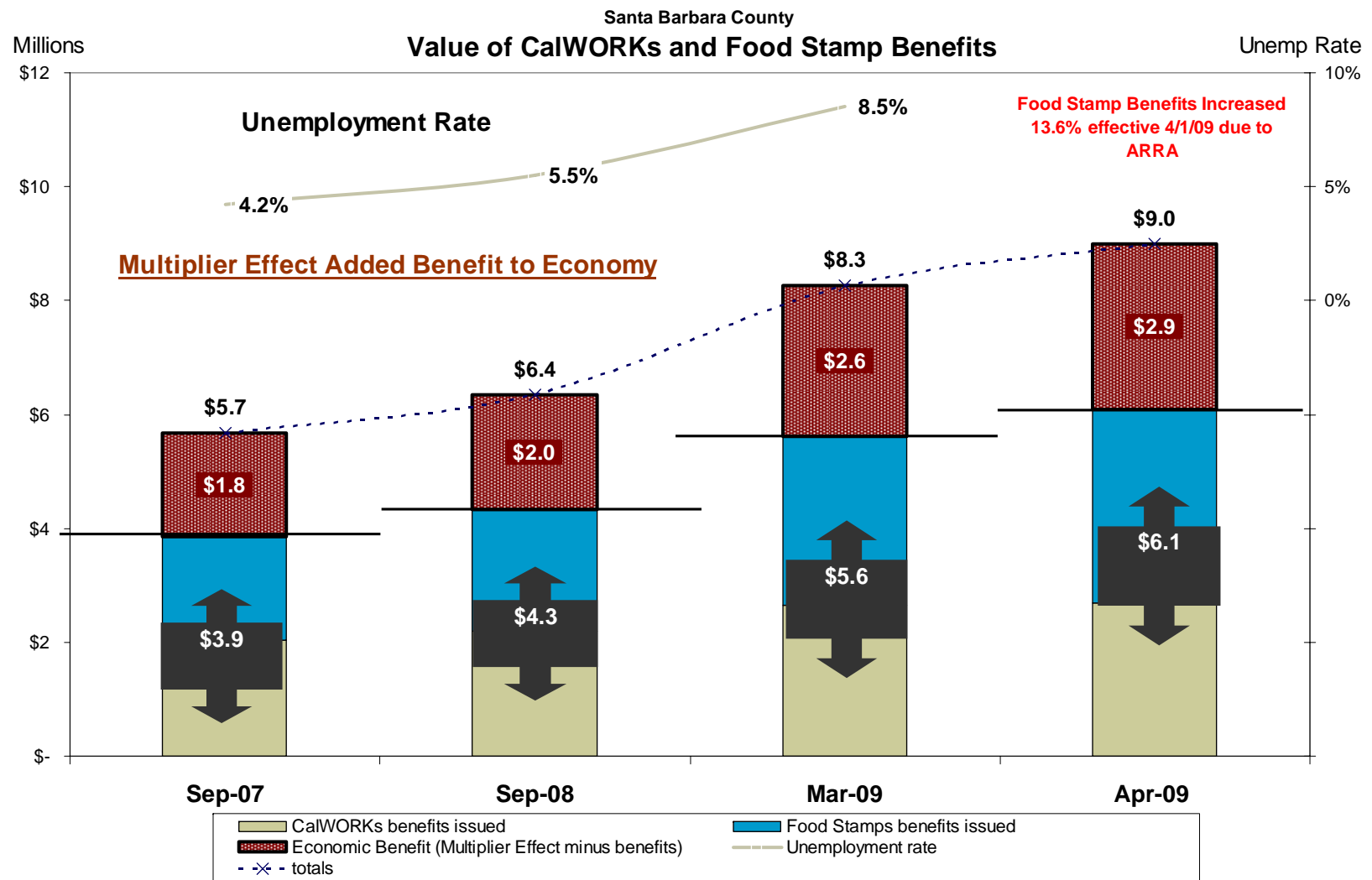
- **Public Social Services funding deficit = \$7.7 million in Santa Barbara County and \$1 billion statewide**
- **Declining Social Services Sales Tax
Realignment Revenues = \$8.8 million locally
and \$400 million statewide**
- **\$2 Billion Statewide Annual Shortfall since 2001**

Human Services Spending Stimulates the Economy

- The economy is negatively impacted when human services funding is cut
- *Every \$1 spent on human services program benefits generates \$1.32 in local economic activity
 - Food purchases
 - Rent
 - Household goods
- Services are 94% funded with state and federal dollars, while benefits are primarily local

*Beacon Economics Study, March 2009

Economic Stimulus



Ideas for County Action

- Contact legislative delegation
 - Human Services programs serve to stabilize and stimulate the economy, but are currently operating with a significant deficit
- Urge state to support programs and get federal ARRA stimulus funds to counties as soon as possible
- Share this presentation and the report from CSAC/CWDA with citizens and community organizations.