



BOARD OF SUPERVISORS  
AGENDA LETTER

Agenda Number:

7

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: CEO  
Department No.: 012  
For Agenda Of: 11/4/08  
Placement: Set Hearing  
Estimated Tme: 40 minutes on 11/18/08  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

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**TO:** Board of Supervisors  
**FROM:** Department Michael F. Brown, County Executive Officer  
Director(s)  
Contact Info: Terri Nisich, Assistant County Executive Officer, 568.3412 *mn*  
**SUBJECT:** Adopted Fiscal Year 2008-09 State Budget Impacts to County

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**County Counsel Concurrence**

As to form: N/A

**Auditor-Controller Concurrence**

As to form: N/A

**Other Concurrence:** Select\_Other

As to form: Select\_Concurrence

**Recommended Actions:**

- (A) Set a hearing for November 18, 2008 to receive a report on the impacts of the Adopted Fiscal Year 2008-2009 State budget on County departments and operations.
- (B) On November 18, 2008, receive a report on the impacts of the Adopted Fiscal Year 2008-2009 State budget on County departments and operations.

**Summary Text:**

On September 23, 2008, the Fiscal Year 2008-2009 State budget was adopted, resulting in impacts to various County departments and their associated operations. In terms of positive impacts, the State budget did not borrow from local discretionary revenue (Proposition 1A funds), provided reimbursement for the February 2008 special election and fully funded transportation funding via Proposition 42. However, the budget did promulgate funding cuts to public health and public assistance programs administered by the County. The report on November 18, 2008 will detail the funding cuts and potential impacts to service delivery associated with the September budget as well as provide an update on continued budget deliberations emerging from a proposed November 5<sup>th</sup> legislative session on the State budget.

**Background:**

This item is before the Board of Supervisors to receive a report on the impacts of the adopted State budget on County operations. The State faced a \$17 billion deficit and the State budget adopted on September 23, 2008 attempted to balance the budget and address this shortfall. However, in light of the recent economic downturn, projections have estimated an initial \$3 billion shortfall in revenue, which is

now estimated at \$10 billion. Consequently, the Governor has called a special legislative session convening on November 5, 2008 to reexamine the budget adopted in September. Such a session will likely have fiscal implications to the County. Budget proposals that will be deliberated as part of this session will be brought to the Board of Supervisors' attention on November 18, 2008.

**Performance Measure:**

**Fiscal and Facilities Impacts:**

Budgeted: Some of the budget impacts were under consideration since the release of the January budget and departments budgeted these potential impacts accordingly. Other budget proposals being considered in the areas of health and human services (public assistance) were quite varied so impacted departments needed to wait until the adoption of the budget to make necessary budget revisions, which will be forthcoming to the Board. Any new budget revisions emerging from the November 5<sup>th</sup> session have not been anticipated.

**Fiscal Analysis:**

Narrative: The fiscal impact of the adopted budget (and any emerging budget proposals) on various departments and funding streams will be discussed during the November 18, 2008 hearing.

**Staffing Impacts:**

**Legal Positions:**

**FTEs:**

The staffing impact of the adopted budget (and any emerging budget proposals) on various departments will be discussed during the November 18, 2008 hearing.

**Attachments:**

**Authored by:**

**cc:**