

THE BOARD OF SUPERVISORS OF THE COUNTY OF STANISLAUS  
ACTION AGENDA SUMMARY

DEPT: Chief Executive Office

BOARD AGENDA #VIII, A

Urgent

Routine

AGENDA DATE July 22, 2008

CEO Concurs with Recommendation YES  NO   
(Information Attached)

4/5 Vote Required YES  NO

SUBJECT:

Approval to Oppose Legislative Measures to Divert Local Funding to Fix the State Budget Crisis

STAFF RECOMMENDATIONS:

Authorize the Chairman of the Board of Supervisors to sign letters in opposition to diversion of local funding to fix the State budget crisis.

FISCAL IMPACT:

The County is facing many challenges to its fiscal stability, including the threat of diverted State funds for numerous County programs. If funding is taken away, the County is in no position to make up this significant loss. Potential exposures for the County include funds from Proposition 42, which is projected to provide \$5.2 million of roads funding for Stanislaus County in Fiscal Year 2008-2009.

(Continued on Page 2)

BOARD ACTION AS FOLLOWS:

No. 2008-547

On motion of Supervisor Grover, Seconded by Supervisor O'Brien

and approved by the following vote,

Ayes: Supervisors: O'Brien, Grover, Monteith, DeMartini and Chairman Mayfield

Noes: Supervisors: None

Excused or Absent: Supervisors: None

Abstaining: Supervisor: None

1) X Approved as recommended

2) Denied

3) Approved as amended

4) Other:

MOTION:

*Christine Ferraro*

ATTEST: CHRISTINE FERRARO TALLMAN, Clerk

File No.

**FISCAL IMPACT (Continued):**

Additionally, Proposition 1A take backs could potentially mean a loss of nearly \$4.2 million of funding to the County in the 2008-2009 budget. Proposition 10 funding take-aways could mean a local loss of \$6.5 million dollars for the 2008-2009 Fiscal Year. These are just a few examples of potential state budget cuts that could occur in nearly every major program or service area for the County.

**DISCUSSION:**

Stanislaus County has limited General Fund/discretionary revenue as a result of Proposition 13 and AB 8 implementation. Any program funding received from the State is vital to maintaining programs, services and infrastructure for the County.

The State of California is in a fiscal crisis and there is a \$15.2 billion funding gap the State is looking to fill for Fiscal Year 2008-2009. The State is considering ways to generate additional revenue for the State as well as budget reductions. Unfortunately, many of these discussions revolve around taking County funds to fix the State budget. Phrases are being used such as "everything is on the table;" this includes healthcare, law enforcement, road funding and children's services.

During the July 15, 2008 Board of Supervisors' meeting, correspondence was received from the Stanislaus County Children and Families Commission asking the Board of Supervisors to oppose SBX3 16 (Cox), which would divert existing local Prop 10 reserves along with future funding, to the State General Fund, thereby eliminating the Commission and local control of those funds. This issue is one example of the programs that would be impacted by the Legislature in their attempts to resolve the State budget crisis.

Protecting County revenue is vitally important.

**POLICY ISSUE:**

The Board should decide if opposing cuts to county funding is in the best interest of Stanislaus County and is consistent with each of the Board's priorities.

**STAFFING IMPACT:**

There is no staffing impact associated with this item.



**It's All About The Kids**  
Children & Families Commission  
930 15th Street, Modesto, CA 95354  
Phone: 209-558-6218 Fax 209-558-6225

✓ BOARD OF SUPERVISORS

2008 JUN 30 P 3:18

June 25, 2008

MEMBERS:

Vicki Bauman  
*School Representative*

David Cooper  
*Community Representative*

Denise Hunt, RN, MFT  
*Vice-Chair  
Behavioral Health &  
Recovery Services*

Mary Ann Lee  
*Health Services Agency*

Dick Monteith  
*County Supervisor*

Nelly Paredes-Walsborn, Ph.D.  
*Community Representative*

George Skol  
*Community Representative*

Dan Souza, LCSW  
*Chair  
Community Representative*

John Walker, MD  
*Public Health Officer*

.....  
John Sims  
*Executive Director*

Board of Supervisors  
Stanislaus County  
1010 10<sup>th</sup> Street  
Modesto, CA 95354

Dear Honorable Board Members:

Since 1998, when the initiative known as Proposition 10 was approved by the State's voters, the Stanislaus County Children and Families Commission has funded programs and projects to improve the development and well-being of children 0-5 in Stanislaus County. Our efforts to effect positive changes in the lives of children in our County have been documented through a series of evaluations by internal and external evaluation professionals. If you are unfamiliar with our work, I would urge you to review the evaluation materials on the Commission website <http://www.stanprop10.org/publications.shtm>. You will find that the programs funded by the Commission have reduced public and societal costs and improved the school readiness and literacy skills of children.

Proposals have been introduced in the California State Legislature that would divert Commission funds to the State of California to support State programs. And while the diverted money may be used to support existing State programs for children, it is important to note that many locally Prop 10 funded programs would be eliminated under these proposals: school readiness, child abuse prevention, emotional health, parent education, family resource centers, and safety. The latest of these proposals is SBX3 16 (Cox). This proposal would divert:

- Existing local Prop 10 reserves to cities, counties, and schools as a one-time windfall
- Prop 10's future funding stream to the State General Fund to support the State's Medi-Cal and Healthy Families programs

**CORRESPONDENCE NO. 3**

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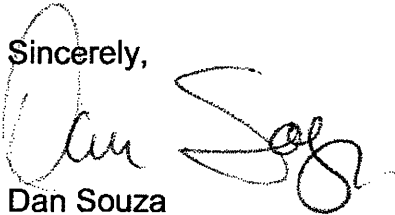
Furthermore, the proposal would eliminate the Stanislaus County Children and Families Commission, effectively removing all local control of the \$6,500,000 currently collected annually by Stanislaus County.

The Stanislaus County Children and Families Commission is opposed to SBX3 16 and is opposed to any other measures that would divert Prop 10 resources and/or remove local control of how the resources are used in Stanislaus County. On June 24, 2008, the Commission took action requesting that the Board of Supervisors and the Board of Education take similar actions in opposition of these proposals. The purpose of this letter is to communicate the Commission's request.

I would appreciate receiving a copy of any action taken by your Board.

If you have any questions or need any additional information, please contact John Sims (the Commission's Executive Director at 558.7272) or me. Thank you for considering this request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dan Souza', written over a circular stamp or seal.

Dan Souza  
Commission Chair

## *Resolution No. 2008-159*

### **RESOLUTION OF THE SOLANO COUNTY BOARD OF SUPERVISORS SUPPORTING PRESERVATION OF PROPOSITION 10 AND OPPOSING ANY EFFORTS TO DIVERT OR REPROGRAM PROPOSITION 10 FUNDS**

**WHEREAS**, the first 5 years of life establish a foundation for the future success of children and their ability to reach their full potential, and it is our responsibility to provide them with the best possible start; and

**WHEREAS**, First 5 California and 58 county First 5 commissions were established in 1998 by the voters of California through Proposition 10 and funded by a tax on tobacco to provide for the development of programs that focus on children's early development in the areas of health, education and safety; and

**WHEREAS**, the nature of Proposition 10 funding, which is a declining funding source, followed that best and most prudent practice would be for local First 5 commissions to establish reserves and long-range financial plans to ensure an effective, stable and reliable early childhood service system; and

**WHEREAS**, the First 5 Solano Commission have been highly responsible and effective stewards of these funds by making strategic and targeted investments across the local early childhood system, leveraging Proposition 10 funds to almost double the amount available for local services, establishing long-term funding commitments to local public and non-profit partners and putting in place a results-accountability evaluation system that supports measurable improvements for young children; and

**WHEREAS**, First 5 Solano is a catalyst that brings together the collaborative partners of Solano County to provide resources and services for families, and takes the lead in uniting organizations, business and schools on behalf of the welfare of children from the prenatal stage through age 5, creating and supporting collaboratives for preschool services, countywide early developmental health strategic planning, positive parenting, parent education and family support and prenatal services; and

**WHEREAS**, First 5 Solano has faithfully served the children and families of Solano County by creating and supporting a wide range of initiatives that are critical for thousands of underserved children, thereby providing 97% health care insurance for young children, award-winning prenatal services for high-risk mothers resulting in significantly higher numbers of babies born healthy, hundreds of early mental health screenings and treatment services for young children, comprehensive school readiness services resulting in marked improvement in competencies of entering kindergarteners, homevisiting programs that succeeded in keeping 98% of high-risk children served out of foster care placement and substantial support for the most comprehensive and cohesive parent and family resource center network in California; and

**WHEREAS**, the possible diversion or reprogramming of First 5 funding to address the State's budget crisis will result in a tremendous loss for First 5 programs across California and compromise the future of California's youth; and

**WHEREAS**, the local impact of diversion or reprogramming of Proposition 10 funding to address the state budget crisis would result in substantial local harm to public agencies funded by First 5 Solano, which has long-term commitments of over 50% of its \$4 million annual grant budget to Solano County Health and Social Services and local School Districts; and

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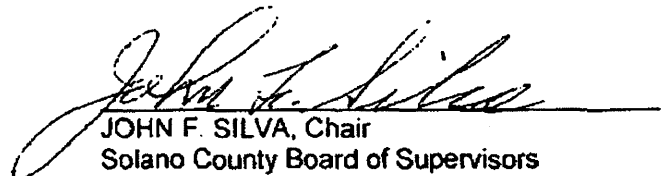
**WHEREAS**, the impact of diversion or reprogramming Proposition 10 funding to address the state budget crisis would be exacerbated by the loss of almost double this amount in matching funds drawn down by local public agencies using First 5 Solano dollars, much of which flow in turn to local faith- and community-based non-profits to fund vital prevention and early intervention services for young children and their families; and

**WHEREAS**, in addition to the local benefits of leveraging First 5 Solano funds to increase the overall funding base for young children in Solano County, First 5-funded services have been proven to save local, state and federal dollars by preventing the need for crisis services, thereby reducing pressure on the already-beleaguered education, health and social service agencies; and

**WHEREAS**, the unique and diverse nature of Solano's communities demands local control and local solutions to issues that affect young children and their families, making it critical that First 5 Solano retain its ability to receive and distribute Solano County's fair share of revenue generated by the Proposition 10 tobacco tax; and

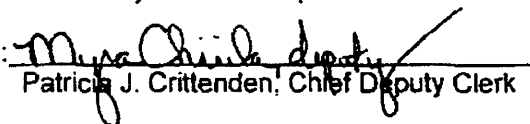
**NOW, THEREFORE, BE IT RESOLVED**, that the Solano County Board of Supervisors supports the preservation of Proposition 10 structure and funding and opposes any efforts to divert or reprogram Proposition 10 funds.

Dated this 24<sup>th</sup> day of June, 2008

  
JOHN F. SILVA, Chair  
Solano County Board of Supervisors

ATTEST:

MICHAEL D. JOHNSON, Clerk  
Solano County Board of Supervisors

By:   
Patricia J. Crittenden, Chief Deputy Clerk

RULES & GOVERNMENT

RESOLUTION

First 5 LA

APR 18 2008

WHEREAS, the first 5 years of life establish a foundation for the future success of children and their ability to reach their full potential, and it is our responsibility to provide them with the best possible start; and,

WHEREAS, First 5 and its independent county commissions were established in 1998 by the voters of California through Proposition 10, a tax on tobacco, to provide for the development of programs that focus on early child development in the areas of health, education and safety; and,

WHEREAS, First 5 LA has faithfully served the children and families of Los Angeles by creating and supporting a wide range of initiatives that are critical for tens of thousands of underserved children, thereby providing health care insurance, high quality early childhood education, and safety and domestic violence prevention services; and,

WHEREAS, First 5 LA is a catalyst that brings together the diverse communities of Los Angeles to provide resources and services for families, and take the lead in uniting organizations, business and schools on behalf of the welfare of children from the prenatal stage through age 5; and,

WHEREAS, the unique and diverse nature of Los Angeles' communities demands local control and local solutions to issues that affect young children and their families, it is critical that First 5 LA retain its ability to receive and distribute Los Angeles' fair share of revenue generated by the tobacco tax and carry out the will of the people of California who approved Proposition 10; and,

WHEREAS, the possible reprogramming of this funding to resolve the State's budget crisis will result in a tremendous loss for California's First 5 programs and future of California's youth; and

NOW, THEREFORE, BE IT RESOLVED, that the Los Angeles City Council opposes any efforts to reprogram the funds allocated by the voters for First 5 to resolve the budget crisis of the State of California.

PRESENTED BY: Wendy Greuel  
WENDY GREUEL  
Councilwoman, 2<sup>nd</sup> District

Jose Huizar  
JOSE HUIZAR  
Councilman, 14<sup>th</sup> District

APR 18 2008

SECONDED BY: EG  
ALL COUNCILMEMBERS

08-0966

EG



*Champions For Our Children*

For Immediate Release (June 4, 2008)

Contact: Sharon Woodson-Bryant

(213) 482-7507

[swoodson@first5la.org](mailto:swoodson@first5la.org)

**L.A. CITY COUNCIL APPROVES RESOLUTION  
IN SUPPORT OF FIRST 5 LA**  
*Council Calls on State to Keep Funding Local*

**LOS ANGELES** ————The Los Angeles City Council passed a resolution introduced by Councilmembers José Huizar and Wendy Greuel today that opposes any efforts to resolve the state budget crisis by redirecting funds allocated by the voters for First 5 LA through Proposition 10, which provides programs for children ages 0-to-5 in education, health and school readiness.

“We are so thankful to Councilmembers José Huizar and Wendy Greuel for being champions of children and families by introducing this resolution to council,” said Evelyn V. Martinez, First 5 LA’s executive director. “This resolution creates awareness about the important work that we do in our local communities that often goes unnoticed by many, but is critical to those who most benefit from the services we fund – the children,” Martinez said. “Today is a special day for our families.”

The L.A. City Council resolution highlighted the contributions and impact of First 5-funded initiatives that provide health care insurance, high-quality early childhood education, as well as safety and domestic violence prevention services. More importantly, the resolution urged that state elected officials preserve this valuable resource for local communities.

"As the mother of a four-year-old, I know that it's critical to provide a safe community along with quality health care and education for our children to learn and grow," said L.A. City Councilwoman Wendy Greuel.

-more-



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"Last year, First 5 LA served 14,054 children in the City of Los Angeles through family literacy, school readiness, community development and health births initiatives. We need First 5 LA to continue to make long-lasting and profound impacts in the lives of our children," Greuel said.

According to Councilmember José Huizar, the diverse nature of Los Angeles demands local control and local solutions to issues affecting young children and their families. "When California voters approved Proposition 10 in 1998, they clearly signaled that the welfare of the state's children is their priority. We cannot balance the budget on the backs of the children and families who rely on First 5 LA for critical supportive programs and services."

The resolution comes during a time when state legislators are looking at additional sources of revenue – and some have raised the prospect of diverting Prop. 10 funds. "First 5 LA's funding must remain in tact so that local leaders can find local remedies to offset state budget cuts in L.A. County," Martinez said. "We want to be part of a state budget solution, but we can't do that if the state hamstring us by diverting our funds."

For more information about First 5 LA's programs for parents and children call 1-888-FIRST5LA (1-888-347-7855) or visit [www.first5la.org](http://www.first5la.org).

**###**