

RUSTY DUPRAY

EL DORADO COUNTY

DEPARTMENT OF VETERANS AFFAIRS

FAX: (530) 621-2218

e: rbarton@co.el-dorado.ca.us

PHONE: (530) 621-5892

MEMO

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BOARD OF SUPERVISORS
EL DORADO COUNTY

DATE: 11/20/2008

TO: Gayle Eberle-Hamlin, CAO

FROM: Rod Barton, Director/Veterans Service Office

SUBJ: Impact of Staffing Reduction as approved on 11/18/08

PURPOSE: To examine the impact and effects of a staffing reduction in the Department of Veterans Affairs.

BACKGROUND: Staffing for this primarily General Funded Department consists of a County Veterans Service Officer (CVSO), Executive Assistant, and three Veterans Service Representatives (VSRs) and maintains a full time presence in Placerville and So. Lake Tahoe and monthly outreach in Georgetown. Its mission fulfills the Boards commitment to the men and women of the armed forces by ensuring the reassimilation of returning service persons, the rehabilitation of the wounded and disabled, ensuring entitlement delivery to all veterans and their families to include intake, claims initiation, case management, and follow-up to include the preparation of legal briefs and appellate assistance. The revenue generated by this Department differs from revenue generated by other county aid programs in that it is entirely federal.

IMPACT: The deletion of the position as now proposed has previously been tried. Empirically, a measure of this Departments output is the amount of VA entitlements derived during a given period by the direct efforts of this Department. Following are the figures provided to the State for the past 5 years and are derived from the totals of one time payments (retroactive benefits and lump sum) and recurring or monthly payments on an "annualized" basis (multiplied by 12). On 7/11/03 this Department lost one Veterans Service Representative (VSR) as is now being proposed impacting the Department's production as follows:

FY	02/03	03/04	04/05	05/06	06/07	07/08
One Time	\$2,069,970	\$1,785,782	\$1,437,132	\$921,230	\$1,175,407	\$1,517,324
Monthly	\$1,701,504	\$1,968,468	1,698,180	\$1,051,704	\$1,328,268	\$1,468,440
Total	\$4,070,000	\$3,909,000	\$3,323,000	\$2,313,000	\$2,634,000	\$3,214,000

The VSR position was reinstated at half time on 1/24/05 and brought to full time on 1/7/06 accounting for the improving trend beginning in FY 06/07 however the effects of that two and a half year staffing reduction are still being felt today.

Using FY 02/03 as the base year (the last one with full staffing as the reduction of the one VSR as is presently planned began 11 days into FY 03/04), the difference between the base year and the five subsequent years amounts to a revenue loss of \$5,076,043 which, when added to the lost recurring value of monthly payments of \$1,682,808 reveals that the savings of app. \$106,000 in the general fund balance came about at a cost (thus far) of \$6,758,851 to our veterans, their families, and ultimately, to our community.

Not counted is the disruption of services to our veterans and their families and additional county contributions to social services to make up for lost federal revenue as well as increased local contributions to Medicaid for veterans who would have otherwise been referred to VA Healthcare. Also not counted is the impact to the local economy by veterans who relied on sub-prime loans instead of VA guaranteed loans for home financing or those whose future income capacity was affected by the inability to find or gain assistance in the use of their educational entitlements.

EPILOGUE: At a time when America is fighting two wars while undergoing a severe financial crises at home, El Dorado County's veterans cannot lose the services of its Department of Veterans Affairs and El Dorado County can ill afford to lose or reduce the federal revenue generating capabilities of that Department.

The Department reduced its operating expenses by \$10,080 from FY 07/08 to FY 08/09 and is as lean as any with a pancake organizational chart and staffing paid at the lower ends of the county's salary schedule yet the impact of its staff will not only benefit those who deserve the most consideration, our veterans, but will go far in fueling the ultimate fiscal recovery of this County.

Please place this before the Board of Supervisors when ascertaining the effects of those cuts that were approved November 18th.

Thank you.