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FOR IMMEDIATE RELEASE

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Cumberland County Faces Costly Reduction in Human Services Due to State Budget Impasse

Cumberland County, Pennsylvania– The Cumberland County Board of Commissioners invited the County’s legislative delegates to hear projections from the Directors of the County’s Human Services Agencies on the impact of a prolonged impasse over the State Budget on the services they provide. Members of the Pennsylvania House of Representatives joined County Officials to listen to the presentations which indicated should a State Budget not be passed by November 1st, departments may soon be forced to interrupt or decrease services to a significant portion of the County’s residents served by these programs. Dana Best, Finance Director, indicated that State funds account for approximately 46% of the County’s revenues, and a higher percentage for Human Services departments. Best said that without funds flowing from the State, the County will have to “front” nearly \$3 million per month from the General Fund to keep these programs operational. By November, the County will have to weigh the options of reducing services; holding back provider payments; or borrowing funds through a Tax Anticipation Note. A Tax Anticipation Note is a temporary measure that would not fulfill the gap completely, and the terms require it to be repaid by December 31, 2015 - within the same calendar year.

Any reductions that the County may be forced to implement likely will impact the delivery of services to the County’s human services areas – Children & Youth; Mental Health & Intellectual Developmental Disabilities; Drug & Alcohol programs; and Aging & Community Services. Other areas, such as Public Safety and Juvenile Probation may also see training and preparedness programs delayed.

Borrowing funds can only cover a portion of the cost needed to maintain essential services; the balance would still need to come from the General Fund. Borrowing also entails costs for debt service, interest and fees. One of the ways the County has been able to maintain its optimal credit rating is by not borrowing via Tax Anticipation debt. Financial rating groups consider the extent and type of borrowing an organization does in setting its bond rating, which determines the cost borrowing groups must pay.

Beyond the immediate financial cost, a greater impact – in terms of both cost and health - may be felt by the fragile populations served by these programs. Interruptions in services may aggravate health and living issues faced by such individuals and ultimately cost more to address than if services were continuously provided. For more information on Cumberland County Government visit www.ccpa.net.

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