



**GLENN COUNTY  
BOARD OF SUPERVISORS**

Courthouse, 2<sup>nd</sup> Floor  
526 West Sycamore Street  
P. O. Box 391, Willows, CA 95988

*Tom McGowan, District 1  
Tracey Quarne, District 2  
John Amaro, District 3  
Michael Murray, District 4  
Keith Hansen, District 5*

*David Shoemaker, CAO*

January 26, 2009

The Honorable John Chiang  
Controller, State of California  
Post Office Box 942850  
Sacramento, California 94250-5872

**RE: Payment Deferral**

Dear Honorable Controller John Chiang,

The **Glenn County Board of Supervisors** is writing to express our strong opposition to your proposal to defer payments to our County for the month of February. We also strongly oppose the budget proposal that could defer other revenue up to seven (7) months. There are very few counties in California that can sustain a lack of repayment for one month let alone multiple months. In particular we want to bring too your attention the devastating impact such deferrals will have on our small rural county. We are already under great stress due to the fact that mental health payments are delayed on a normal basis, even though our requests for payment are filed timely, the payments are not remitted timely.

To keep you and others informed of the facts about the impact these deferrals would have on Glenn County, let us provide the following information for clarity:

**Proposed Deferrals**

Gas Tax	\$1,103,566
Social Services	\$8,404,144
Health	<u>\$2,341,567</u>
Total	\$11,848,277

Glenn County Total General Fund Budget \$27,000,000  
Glenn County General Fund Reserve \$706,000

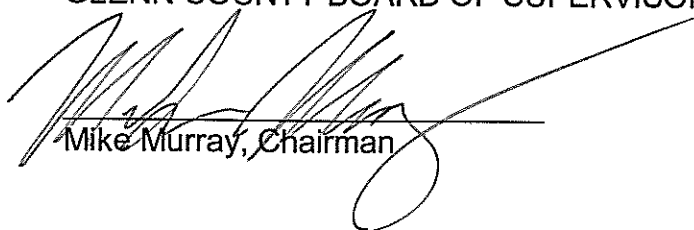
Glenn County must continue to fund the Social Services and Health programs with County General Funds in order to protect the County from sanctions as well as provide essential services to the needy. As these numbers clearly indicate, your proposal would cripple our County's ability to provide even basic service to our citizens and force the County to close our doors the day you actually put into effect your deferral.

Therefore we request that you grant Glenn County an exemption based upon the hardship or based upon the past practice of exempting small counties with a population of less than 40,000.

While we understand the crisis situation the State of California is in, it would do little good to force Glenn County into bankruptcy. We stand ready willing and able to assist in formulating a solution that works for all.

Sincerely,

GLENN COUNTY BOARD OF SUPERVISORS



Mike Murray, Chairman

cc: Honorable Arnold Schwarzenegger  
Honorable Assemblyman Jim Nielsen  
Honorable Senator Sam Aanestad  
The Honorable Darrell Steinberg, Senate President pro Tempore  
The Honorable Dave Cogdill, Senate Republican Leader  
The Honorable Karen Bass, Speaker of the Assembly  
The Honorable Mike Villines, Assembly Republican Leader  
Susan Kennedy, Chief of Staff, Governor's Office  
Michael C. Genest, Director, Department of Finance  
Ana Matosantos, Deputy Director, Department of Finance  
Craig Cornett, Office of Senate President pro Tem Darrell Steinberg  
Danny Alvarez, Senate Budget and Fiscal Review Committee  
Seren Taylor, Senate Republican Fiscal Office  
Chris Woods, Office of Assembly Speaker Karen Bass  
Pedro Reyes, Office of Assembly Speaker Karen Bass  
Christian Griffith, Assembly Budget Committee  
Peter Schaafsma, Assembly Republican Fiscal Office  
Dave O'Toole, State Controller's Office  
Tricia Wynne, State Treasurer's Office  
Regional Council of Rural Counties  
California State Association of Counties