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SHE HAS TO BE KIDDING

County to seek \$38 million operating loan

By Ken Paglia

Democrat staff writer

County officials are talking about borrowing the largest sum of money in county history — \$38 million. Budget woes and delayed the state caused the need for the loan, they said. money would go toward

operating costs of programs in the Departments of Mental Health, Transportation and others.

"This past year in December right before property taxes were due the county had a negative cash balance of \$19 million. Now we're projecting a negative cash balance

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to our bondholders would be tantamount to the state to California going into default. That would have dramatic financial repercussions."

Harn said some of the responsibility lies locally, too.

"The Department of Transportation has billed some agencies very slowly for erosion control work done up at Lake Tahoe. And the Department of Mental Health has billed very slowly. The state is a big problem, but we to do a better job here at the county. other thing we need to do is cut our budget significantly," he said. Historically the county has

LOAN

of \$38 million based on current spending trends," said El Dorado County Auditor-Controller Joe Harn.

The \$38 million would come in the form of a Tax and Revenue Anticipation Note, or TRAN. These are often issued by local to help pay for operating while they are waiting to be reimbursed by tax receipts.

At Tuesday's Board of meeting, officials were insistent that the hand in their cash flow problems.

"This is not just a General Fund issue," said Chief Administrative Officer Laura Gill. "Social

Services has seen delays in getting those payments from the state. I don't believe all of this is caused by not stopping spending."

Harn told the board, "This is going to be a permanent slowing of payments that the county receives from the state."

But state officials say they are simply short on cash.

"There are a number of payments proposed to be delayed that the Legislature approved in February so would have adequate cash reserves," said California Department of Finance spokesperson H.D. Palmer. "Not being able to pay our cash reserves

able to make a profit from anticipation notes by investing the money at a higher rate than they borrowed it. But in today's municipality market the county could actually incur a loss.

"This is going to be expensive," said Harn. "Investors no longer perceive municipal debt as zero risk. Our revenues all over the state are in question, and property taxes are dropping like a rock."

The county will submit the TRAN application on Friday. By June 2nd it will know how much it would cost, after interest, to incur the loan.

— Board Chairman Rusty Dupray

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and Helen Baumann voted against a motion Tuesday to submit the loan application. "I think it's important to have this money. I'm just not comfortable with this," said Dupray.

The motion to submit the application passed 3-2.

"We pretty much have to do it," Harn said. "We have to do something. But we need to change our practices and procedures so we won't be in this same position every year."

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4/25/08

This must be Contingency

Countywide bankruptcy cases soar exponentially

MT DEMOCRAT 4-25-08

By Eric Laughlin

Democrat staff writer

A significant rise in foreclosures isn't the only sign of a troubled economy throughout the county and state. Local bankruptcy attorney Jon Zitomer said he's seen his caseload skyrocket by as much as 500 percent over the past 18 months.

"Initially most of the bankrupt-

cies I saw were directly related to the sinking real estate market," Zitomer said in an interview at his Cameron Park office last week. "In the last six months, with a recession starting to grow, it's not real estate anymore."

With more consumers tightening their belts with economy-related cuts in recent months, Zitomer said

he has seen more business owners and commission-based employees filing for bankruptcy.

"People just aren't spending as much money," Zitomer said. "And that really affects the ones trying to make a living on commission. For example, I've seen a lot of car salesmen."

The experienced attorney said he first saw a rise in cases in late 2005, but added that it was then a very gradual increase.

"We had actually seen bankruptcies drop off in 2006 after the Bankruptcy Act of that year," he said, "which made for more hoops to jump through, such as credit counseling requirements."

But with the economy continuing to go south, some were left with no choice.

"People were basically hurting financially to the point where they chose to do

it even if it was a cumbersome process," Zitomer said.

The chronic rise during the past year is documented in real numbers on the Website of the federal Bankruptcy Court in the California's Eastern District, which includes the Sacramento region, as well as Modesto and Fresno.

According to the site, the entire district saw an 84.8 percent increase in filings over the past year compared to the year prior.

During the first three months of 2008, there were 138 filings in El Dorado County, 35 in Amador County, 332 in Placer County and 1,605 in Sacramento County. Those numbers are all up from the same period last year, when El Dorado County saw 79, Amador 19, Placer 169 and Sacramento 981. Additionally, most counties even saw an noticeable increase just from January to March of

this year. Amador County had eight filings in January and 17 in March.

Auburn bankruptcy attorney James Bunnell has also seen a rush of new clients.

"It's not just me, it's everybody," Bunnell said. "We're all buried."

The most common type of bankruptcy is Chapter 7, which according to Zitomer is a relatively short and simple legal proceeding authorized by federal law. That avenue is generally taken by individuals or married couples seeking release from certain types of debt, such as credit card and medical balances.

Zitomer, whose practice primarily serves El Dorado County residents, has been based in Cameron Park for 25 years. His Website can be accessed at www.cameron-parklaw.com. More district bankruptcy statistics can be accessed at www.caeb.uscourts.gov.

Judges, gov. could release some prisoners

By Denise Marie Silno

Democrat staff writer

An upcoming ruling by three California judges may release as many as 40,000 prisoners back to their counties of origin.

The ruling, if granted, would place a cap on the

population of prisons statewide and allow certain prisoners of "non-violent" or "non-serious" crimes to be eligible for early release. The California Department of Corrections and Rehabilitation (CDCR) has

PRISONERS

estimated the impact on El Dorado County to be 100 to 150.

➤ see PRISONERS, page A-2

Homeless shelter a bad fit in Pollock Pines.

EDITOR:

A community meeting will be held at the Pollock Pines Community Center this Saturday, April 26, from 6-8 p.m. to discuss a proposed homeless shelter that United Outreach, a local non-profit, hopes to open at the old Pollock Pines Elementary School building.

My understanding is that, if granted the requested funds, United Outreach intends to shelter about 65 people, and based on their past experience, the vast majority will be males. These people will be bused to our community from Placerville, South Lake Tahoe and other areas.

The April 26 meeting is our opportunity, as residents of this

lovely town, to ask the following:

What other buildings/locations are being considered for the shelter?

Have you considered using your own church properties?

What will be the hours of operation for the shelter?

If the shelter will close in the morning (and current shelter residents are required to leave), where will they go?

Who will provide transportation to/from the shelter?

Where will the residents receive medical care? Vocational training? Employment assistance? Transportation? Employment opportunities?

It's my understanding that successful shelters generally have those services nearby; that's not the case in Pollock Pines.

As a current Meals on Wheels and new Upper Room volunteer, and past very active St. Vincent de Paul Vincentian, I am concerned about moving homeless (particularly if they are vagrant males who are under the influence) to a small family/retirement community that offers no services. Pollock Pines does not have a homeless problem. Why does it make sense to bus homeless to our town, especially without the services these people require? The community that will be affected has a right to the reasoning behind this proposal.

Residents of Pollock Pines: Let your voices be heard. Attend the meeting and contact El Dorado County District 2 Supervisor 2 Helen Baumann via her assistant Brenda Bailey (Brenda.Bailey@co.el-dorado.ca.us) to let her know what you

think about the proposal.

BECKY McINTYRE
Pollock Pines

Letters to the editor

I say no to the shelter being in Pollock Pines

EDITOR:

Who made the decision to put a homeless shelter in Pollock Pines? And why was this decision made outside the awareness of the people in that town? Isn't it illegal to take public funds without notifying the public?

The only people who have the right to say yes (or no) to a shelter in their town are the people of Pollock Pines. Not the "people of the State of California" since the entire state does not reside in Pollock Pines.

It seems to me that Grace Place in Camino is responsible for this process. Where is separation between church and state? Since when does private religion have the right to public funding, especially without a vote?

I have experienced relentless harassment from these transients and it horrifies me to anticipate even greater harassment due to an increased population of transients. You can't even walk through the public park in Pollock Pines without being harassed by drunks and perverts. I say, don't take money from me for these people without asking me first. I say no!

DEBORAH KHORA
Placerville

We'll fight the shelter to the end

EDITOR:

Kudos and ditto to Michelle Sheetz' letter titled "Don't try and pull a fast one in Pollock Pines." She voiced our exactly. I would like to add my two cents.

My husband and I have worked for 30 years to build and improve our business right across the street from the proposed homeless shelter. We sell beer, wine, cigarettes, fuel, etc.

We know that the majority of homeless have substance abuse and mental illness problems. Yesterday a customer, who is a retired police officer told me that in every location there was a homeless shelter, crime spiked in the pocket area around the shelter. Theft, home and business break-in, sexual assault and drug traffic within the shelter. Our store and the families around would be a prime target. You cannot lock up the homeless and keep them on the premises.

What about closed Army bases to shelter the homeless? Pollock Pines is the wrong place. The whole community is up in arms and will fight to the end.

There must be a way to use this old school property. How about turning the classrooms into apartments for low income seniors, or a nursery school, or adult education, or Head Start? Something that the town could embrace. How much would it cost to install the sprinkler system that would be required by El Dorado County?

Government grants, our tax dollars will be funding this project. Why don't the feel-good, do-gooders do their good in a place that won't upset the balance of the town and upset so many residences?

AVORY and JUNE ABBOTT
Pollock Pines residents since 1978

LETTERS TO THE EDITOR B-

Wednesday, April 23, 2008

Don't make Pollock Pines a human dumping ground

EDITOR:

El Dorado County Supervisor Helen Baumann is quoted regarding the homeless shelter in Pollock Pines, "This (the grant application) going forward now makes the process of dialogue with the community cumbersome."

In other words, we are busted trying to establish a homeless shelter under the radar of the local community.

The first inkling I had of this was an article in the Feb. 15-08 Mountain Democrat in the religion section describing a wellness center. Two months later the plans have morphed into something much larger.

It is wrong to bus the homeless from all over El Dorado County to Pollock Pines. The emergency shelter should be located close to the Upper Room dining facility in Placerville so that the county does not have to offer transportation (at \$4 a gallon of gas) to the homeless.

The only people to benefit from this action will be the three property owners of the former school site. Once again our Board of Supervisors is playing the good ol' boy game at the expense of our local communities. The relocation of the MRF of El Dorado Disposal is another debacle waiting to be approved by our supervisors.

The existing shelter at the SDA Church in Camino has taxed the surrounding area to the hilt. Moving that problem up the hill does not solve it. Consolidate services in a central location below the snowline, in an area not requiring county transportation.

This sneaky approach by our Board of Supervisors deserves to be stopped. Ms. Baumann, shame on you.

Pollock Pines residents, come to the meeting on April 26 at the Community Center. Don't let our little town become the human dumping ground for the wealthier communities in El Dorado County.

NOLA SCALZI
Pollock Pines