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dispatches

County Girds for Funny Money

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An additional \$400,000 will be lopped off this year's decimated County budget under George Deukmejian's plan to get the state's financial house in order. Even with the proposed massive reduction in support for local governments, the state will still run out of money fairly soon and begin paying its bills in IOU's instead of cash.

The depression will cost the State of California more than a billion dollars in anticipated revenues this fiscal year, budget analysts discovered three months ago. One of Deukmejian's first moves as Governor was to propose that \$400 million of that could be made up in reduced help for local governments over the next 17 months.

Deukmejian's plan is being debated in the state legislature this week. Both local Assemblyman Sam Farr and State Senator Henry Mello have been among those legislators suggesting that temporary increase in sales, oil severance, corporate and personal income taxes would be a more sensible solution.

Since the Jarvis-Gann initiative severely limited property taxes in 1978, local governments have relied on the state and feds for a large part of their budgets. State level politicians have found it increasingly expedient in recent years to reduce that support in order to keep the state's budget in balance.

The latest gloomy suggestion from Sacramento comes as the County Board of Supervisors wraps up the job of lopping nearly \$6 million from the budget to make up the local shortfall discovered last year.

Ten percent of the local welfare department was eliminated in November. The Board decided in December to save money by closing the County Planning Department every

fifth week. Similar cuts were made in every department and program except the criminal justice system during last month's mid-year budget session.

This week the Supes postponed for the third time a decision on whether to save more money by eliminating the women's work furlough program at the County Jail.

And last June's decision to make a few bucks by leasing the Capitola building that houses the Women's Crisis Support and Shelter office is about to come home to roost. The project is to be out of the building by March 1 and has no other north County location for counseling or helping women get restraining orders against potentially violent male friends.

The County Administrative Office is still trying to find a room in the County Building where the project can work two mornings a week.

If the Deukmejian proposal goes through, the Supes will have to reopen the books and find another \$400,000 in cuts over the next five months.

After those reductions are made, the County will still have to contend with being the largest local recipient of the new kind of money being invented in Sacramento. The state is going to run out of cash. Part of the Deukmejian plan calls for paying all bills — including state employees' wages, tax returns and local governments — in warrants that can be redeemed when the money shows up.

It is not yet known how businesses will react when people try to buy goods with warrants they received from the local welfare department.