

# County budget picture darkens

Workforce cuts loom, parks department would merge with public works

*Budget (City-County)*  
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Faced with a \$14.7 million projected deficit, county officials on Friday released a budget reflecting a continued financial drought, abandoning hope that employees can be rehired and continuing austerity measures implemented during the financial crisis.

While sparing the severe cuts to public safety seen elsewhere, the \$462 million proposal for 2011-12 slashes the county's workforce by 6.7 percent — or 154 positions — and merges the county's parks and public works departments. Monthly furloughs are likely to continue, and layoffs are expected.

"The proposed budget will require sacrifice on the part of all county employees, county contractors and county residents who rely on these services and programs," County Administrative Officer Susan Mauriello wrote in announcing the budget. "While every effort has been made to minimize the impact to the public to the extent possible, the cumulative effect of these reductions is unavoidable."

Due to hiring freezes, many of the positions being cut aren't currently filled. But the equivalent of more than two dozen full-time employees could be eliminated, concentrated in the Parks, Open Space and Cultural Services Department and the Planning Department.

"I'm not going to sugarcoat it. It's a tough thing right now," Board of

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## THE DISAPPEARING ACT

Santa Cruz County's general fund has been on the decline since the financial crisis struck in 2008:

2007-08: .....	\$401 million
2008-09: .....	\$390 million
2009-10: .....	\$369 million
2010-11: .....	\$370 million
2011-12 (proposed): .....	\$367 million

## BUDGET

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Supervisors Chairman Mark Stone said. "We're out of tricks."

Key public safety positions, including prosecutors and sheriff's deputies, will be spared layoffs, though those employees will face furloughs.

"We have been operating short-staffed in the Sheriff's Office for years," Mauriello said. "As a result of this, we have a bit of a cushion when it comes to effectuating a budget."

Despite signs nationally of an economic turnaround, the county's unemployment rate sits at 14.7 percent. It is

enduring a period of flat revenue, with little future growth expected, and funding cuts at the state and federal levels make matters worse, as do rising employee pension costs.

County Parks Director Joe Schultz recently announced his retirement, and the county plans to place parks staff under the oversight of public works. Expected layoffs include recreation supervisors, park planners and more. Mauriello said the county focused on preserving programs available through the parks department.

Public Works Director John Presleigh said he met with park staffers Friday morning to discuss the transition. He called the move temporary until the county's financial

picture turns around.

"It seemed to go very well. There were concerns. Everyone has concerns when there are changes," Presleigh said.

The proposal kicks off a two-month process of finalizing a budget for the upcoming fiscal year. Public hearings are expected to begin June 20.

The county's budget is hampered by the likely elimination of redevelopment agencies statewide, an assumption the county built into its budget, Mauriello said. Redevelopment funds helped pay for a small number of redevelopment-related positions in several departments.

The state budget is also a looming factor. If lawmakers hand down a package of deep cuts to programs ranging from

state parks to health care, voters could be asked to approve a series of tax increases to offset those reductions.

If that happens, Mauriello said, the county could pass a midyear budget amendment.

The seeds of persistent budget problems go back to Proposition 13, when state voters capped local property taxes, Mauriello said, and continued as voters approved popular but costly policies such as lengthy prison sentences without giving government the means to pay for them.

"You've got to decide which way you want it to be," Mauriello said. "It's time for a correction, and my hope is that in the meantime we come up with a better way to build the widget."