

# Supervisors spar over budget

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Proposals to extend the county's utility user tax to raise an additional \$250,000 a year from long-distance telephone users embroiled the Santa Cruz County Board of Supervisors in a philosophical debate on how the county should manage its money.

County Administrative Officer Susan Mauriello triggered the debate between Supervisors Walt Symons and Gary Patton by submitting a series of recommendations that will finalize the county's 1994-95 fiscal year budget in time to meet a state deadline of Monday.

Extending the 7 percent county utility tax to cover long-distance telephone service may not have the necessary three votes. Symons and Supervisor Ray Belgard said this morning that they oppose it.

First District Supervisor Jan Beautz said she's undecided so far about the proposal, adding that she wanted to get some input from the business community.

Mauriello made a series of recommendations this morning involving accepting "one-time" revenues, mainly from state and federal health and welfare reimbursements.

Symons, who voted against the budget at hearings in June, said he didn't like Mauriello's proposal, and called it an "unacceptable budgeting process."

Part of Symons' ire came from Mauriello delivering her budget letter to the board yesterday and following up with detailed information this morning.

"This is the only place in the world where you get a \$245 million budget presented to you the day before you are supposed to approve it, and detailed information on the day of the meeting.

"It is absolutely objectionable that we would spend \$125,000 to televise ourselves when we don't have a (athletic) playing field in the 2nd District," Symons said.

Mauriello told Symons that the budget is the same as the board

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discussed during 10 days of hearings in June, with the exceptions of the specific changes she made in her letter yesterday.

The board will be getting another budget report in November, Mauriello told the supervisors.

"Ongoing revenues vs. ongoing costs is what we will be giving you in November," she said.

"We do not operate in a vacuum," Mauriello said, lecturing Symons. The county's budget is approved in June, long before the state legislature approves the state revenue that makes up a large part of the county's budget.

The county no longer has a stable source of revenue, she said, as it did in the days before the passage of Prop. 13 when property taxes largely funded local government.

Most of the county's \$245 million budget is not subject to local control, Beautz said. She said the latest estimate she heard is that only 10 percent of the county's general fund budget — about \$17 million — is discretionary money, i.e. subject to control by the local supervisors.

County Auditor-Controller Gary Knutson said the percentage today is probably less than 10 percent.

More than 50 percent of the

county's revenue comes from state and federal funds, 25 percent from user fees, and the remainder from local taxes, he said.

Patton bluntly told Symons to quit "carping and complaining" about the budget process and Mauriello's role.

He told Symons that Mauriello is simply making recommendations to the board.

"You don't like some things," Patton said, "make a motion and get three votes to change things.

"Don't heckle the CAO."

If the supervisors were to adopt Symons' philosophy of only budgeting the assured revenues, Patton said, characterizing the 2nd District representative's statements, the county's permanent work force might be cut to between 300 and 350 people, with part-timers hired every year to work for a few months or a year if there was enough money.

That's not the way Patton said he wants to run county government.

"We want to maintain the vital organization (county government) in a state system that is totally out of control.

"We have a state with a massive, multi-billion deficit and the governor and the legislature are trying to wallpaper it over," Patton said.

"Everyone knows we need basic governmental reform."