

Departments adjusting to budget cuts

Some in 'survival mode' after further reductions

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Budget
SANTA CRUZ — Police, parks administration and local artists have long braced themselves for hefty budget cuts.

But this week, department heads were still adjusting to life after the latest \$1.45 million in new reductions, combined with the possibility of even worse budget times to come next year.

Council members and city staffers spoke of the challenge to stay focused and not be demoralized. Councilman Ed Porter spoke of establishing a priority list of slashed items the council hopes to bring back eventually when the fiscal situation improves.

"The challenge is not to get sucked into a scarcity mentality," said Mayor Emily Reilly. "It's important to remember times are hard now but they will be better. We'll need to protect our infrastructure so we can rebuild."

One unsettling reality, administrators say, is that next year could be worse, with yet another \$2 million deficit at a time when the city will be even less able to bear cuts without laying people off or cutting services.

The likely cause: public employees retirement ben-

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efit costs, mostly for police and fire personnel, set to rise \$1.5 million in a year. The city also must absorb the cost of contractually binding salary increases for police and fire, potentially exceeding \$500,000, said Finance Director Dave Culver.

Culver said the city has cut so much that any more big cuts would affect facilities.

"We have cut over 50 positions in the last year and a half," Culver said. There have been two or three actual layoffs. There have been retirements, golden handshakes, vacancies. (But) we don't have the vacancies now. Each round we go through, our flexibility is more and more limited."

He found it hard to predict if there is an end in sight. "It depends on the revenue side," said Culver. "It is likely for us to see continued increases in retirement costs because (the public employee retirement system) doesn't expect returns on their investments to improve anytime soon, and we have police and fire agreements going into 2007."

"I don't see any huge turnaround in the economy in the next few years," said Culver. "There has been so much job loss in Silicon Valley and our region is tied

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**PARKS DIRECTOR
DANNETTEE SHOEMAKER**

to the valley."

In addition, administrators said the city could get hit much harder next year with state cuts.

Tuesday night, the city Parks and Recreation Department's budget was cut by \$546,000. The latest reduction, in reaction to the \$2 million budget deficit in the budget approved in July, means parks and rec will lose the equivalent of seven positions — bringing its position cuts this year to 31.

"Today is a rough day," said Parks Director Dannettee Shoemaker. "Reality has hit. Today we are kind of in this survival mode."

Shoemaker said the parks and rec cuts drastically reduced the city's ability to patrol greenbelt lands. There is now just one ranger for the entire local parks area.

A line item of \$10,000, for staffing to support an art grants program and the Sister Cities program, was taken from the budget Tuesday, along with all remaining \$35,000 in a grants-for-artists program. These items, which fall under

parks and rec, generated hundreds of e-mails to the council.

The problem, said Chip, chairman of the Santa Cruz Arts Commission, is that even the larger arts organizations are "being hit from all angles" with philanthropy and public contributions waning."

"And for the smaller programs, this could be 50 percent of a project's budget for a smaller theater company."

Police Chief Steve Belcher, reflecting on the \$345,000 in cuts to his budget, said the police department, which now has about 94 sworn positions, lost five officer positions through attrition.

"Obviously when you take an 8 percent cut in your patrol staff it affects your ability to respond." He said the police wanted to start foot patrols in the Beach Flats for the past two years but can't because of cuts.

The police does have Beach Flats patrols, but foot patrols would have been a good way to meet community members, work on gang problems and have more visibility, Belcher said.

Other results of cuts are the pending removal of the school crossing guard program, which falls under the police budget, and the reduction of school resource officers from three to one.

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