

Balanced budget equals higher taxes

By Lee Quarnstrom
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Pointing their fingers at politicians in Sacramento, Santa Cruz County supervisors Thursday made it clear their constituents are in for higher taxes and fewer services if the county budget is going to be balanced.

That budget is \$5.6 million in the red for the present fiscal year, said County Administrative Officer Susan Mauriello, and will be more than twice that amount next year unless drastic steps are taken.

Those steps — which supervisors are considering and seem likely to approve during supplemental budget hearings now

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under way — will include a utility tax for residents of the unincorporated portions of Santa Cruz County.

The utility tax, said Mauriello, could yield about \$900,000 during fiscal 1991. It would be levied on Pacific Gas & Electric Co., cable television, water and sewer bills in the unincorporated areas.

Also likely to get the nod from supervi-

sors, who blame Gov. George Deukmejian and the Legislature for fiscal crises facing California's counties, are three new fees authorized as part of the state budget settlement:

✓ Administrative charges that will be levied against cities and special districts, including school and fire districts, for county costs associated with assessing

land values and collecting property taxes. This, Mauriello said, would raise about \$2.1 million during the present fiscal year, money that would come from taxpayers in the cities and special districts.

✓ Business license fees in unincorporated parts of the county that, said Mauriello, could add \$224,000 to the county's coffers this fiscal year. The license would cost

each business \$127 annually, with a small additional charge per employee.

✓ Booking fees charged police agencies other than the sheriff, including police departments in the four cities as well as campus police at Cabrillo College and the University of California, Santa Cruz. These fees, calculated at \$71 per inmate booked into county jail, would raise about \$606,000 this year, Mauriello said.

Cuts could include money for sheriff's patrols, for probation and juvenile hall services and closing the Watsonville courthouse and Municipal Court, Mauriello said.

That last cut, vowed Supervisor Sherry

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County supervisors blame budget woes on Legislature

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Mehl — whose district includes most of the Pajaro Valley — will not occur if she can help it.

Mauriello said supervisors could either make cuts on a program-by-program basis or decide to mandate across-the-board reductions in department budgets.

Continuation of the four revenue-raising fees into the next fiscal year, coupled with severe cuts in governmental services, would balance the fiscal 1991 and fiscal

1992 county budgets, Mauriello said.

Although supervisors indicated Thursday that they will seriously consider all four revenue-raising measures in conjunction with cuts in county programs, they made it clear that they think they have no choice but to adopt at least one of the four ways to raise money.

That is the property tax administrative fees. County Counsel Dwight Herr said that in his opinion the state budget pack-

age requires the county to levy those fees against cities and special districts.

An angry Supervisor Gary Patton, saying that two local cities — Santa Cruz and Watsonville — are suffering severe economic consequences of the Oct. 17 earthquake — said the requirement means “that we are putting the cities and school districts in the same position that the state is putting us.”

He said those fees alone would cost

Santa Cruz \$461,000 and Watsonville \$204,000.

While each supervisor agreed that the governor and state legislators had acted irresponsibly, by socking it to California counties that already are financially strapped, Fred Keeley took the hardest shots at Sacramento officials:

“This county and 57 other counties are being asked to do the governor's and the Legislature's dirty work,” complained

Keeley. “They are asking us to balance the budget on the backs of poor people, on the backs of children, of the elderly.”

He called the budget compromise between the governor and the legislators “one of the most appalling scenes” he'd seen in politics, saying members of the Senate and Assembly “were motivated out of thoughts of their own re-election.” He accused Deukmejian of “mean-spiritedness.”