

# ✓ CF Budget - (County) **County awaits bad news in state budget** <sup>RP</sup>

By LANE WALLACE

STAFF WRITER JAN 11 1993

Supervisor Ray Belgard doesn't know how badly Santa Cruz County will be hurt by the new state budget, but he isn't expecting good news.

"It appears we may have to reduce operating costs," Belgard, the supervisors' new chairman, said this morning after reviewing weekend news reports of the proposed state budget.

On Friday, Gov. Pete Wilson proposed a \$51.2 billion budget for 1993-94, 11 percent less than the state is operating on in the current fiscal year. A large share of county operating funds comes from the state.

Wilson's proposed budget calls for shifting \$2.6 billion in property tax revenues from local governments to schools.

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Belgard said it's too early to know where the county would have to cut or whether layoffs will be needed. There were early projections that the county would have to lay off 50 people this year, but supervisors avoided layoffs by raising some fees and making a number of small cuts.

The state budget is supposed

to be done by July 1, but last year the Legislature waited until September. "There is a lot of uncertainty and anticipation" when the state strings things out, Belgard said. "You give up trying to make countermeasures."

With increased fees and a utility tax imposed in the last year, Belgard said, "I'd be hard-pressed to raise taxes" to meet the next budget. County administration workers were in a meeting this morning and unavailable for comment.