

✓ JCF Budget City County
SC County
services feel
budget's ax

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Some Santa Cruz County people who live in out-of-the-way areas where public services are limited can expect even less service thanks to state budget cuts.

A revised \$272 million budget adopted yesterday by county supervisors includes state-imposed reductions of about 10 percent for "county service areas," where fees and taxes are imposed on residents of a designated area. The revenue was shifted at the state level to schools.

The CSAs include charges countywide to fund parks and highways, but most of them are for small recreation districts, fire protection, roads, water and sewers in rural areas of the county.

When state legislators approved a scaled-back budget two months ago, they imposed a fee against county service areas that receive property taxes. The fee is 10 percent of all the CSA's revenues or 35 percent of the property tax it receives, whichever is less. Most CSAs in Santa Cruz County will be paying the 10 percent, said county Auditor Gary Knutson.

The cut means many CSAs are facing either reduced services or depletion of their reserve funds for future projects. As the state allocates less and less money to local government, the issue will almost certainly come up again in next year's budget.

Supervisors, who act as the board of directors for CSAs, will then have to decide whether to raise CSA fees or reduce services.

The state also took money from fire, recreation and other special districts and shifted it to the schools. Those districts have their own governing boards.

Some CSAs won't be affected greatly by the tax shift because they had sufficient reserves. But others will have to delay improvements or not have as much money to make repairs.

In the Pajaro Valley Storm Drain Maintenance District, for example, a \$48,634 reduction means an \$80,000 pump-station restoration will be postponed a year.

That station pumps water that comes into Harkins Slough from Watsonville Slough. If the pumps break down, farm land near Harkins Slough floods, said Steve Stiles, an engineer for the county. The pumps have been repaired several times, Stiles said, and money has been saved up for the restoration project for several years.

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The state legislation depletes the reserve fund of a number of CSAs, county officials said. One of those is CSA 4, which pays for Division of Forestry fire protection at Pajaro Dunes, the conference center and condominium complex on Monterey Bay west of Watsonville.

CSA 4 has a budget of \$417,000 annually, two thirds from property tax and a third from service charges of \$262 per homeowner.

Taking 10 percent would deplete money being saved for replacing firefighting equipment, said Kay Bowden, a consultant representing Pajaro Dunes.

Bowden questioned whether the state could impose a fee on money collected as service charges. Doing so, she said, constitutes a tax without a vote of the people. But Knutson said he believes the state has the legal right to impose the fee on all revenue the CSA collects.

Bowden suggested "a modest in-

crease" in CSA 38 (sheriff's services) to lessen the burden on CSA 4 and others in the same position. She said residents would like control of the CSA budget.

"What you're saying is to cut other people instead of you," said Supervisor Gary Patton.

Patton and other board members didn't agree with Bowden's solutions but sympathized with the plight of Pajaro Dunes residents and others with similar dilemmas.

"Those services are being ripped off by the state," said Supervisor Robley Levy.