

US Army

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Council Winds Up With Out of Balance Budget

City councilmen Friday night wound up their three days of budget hearings with a \$2,667,811 document which listed heavily on the outgo side.

City Clerk Jack Miller told the councilmen the \$44,056 scheduled to be transferred from the water department depreciation fund to pay off flood control debts to the corps of engineers "gives you a budget which just doesn't balance. Any bank note or other borrowing you do must all be paid back in the same fiscal year."

City Manager Robert Klein assured Miller and the press that the funds would be found some way. "We don't have to have a concrete answer until July 15 when the budget is adopted," he said.

Klein suggested borrowing money from the state as was done to purchase the city park inside the redevelopment project, and pay the city's share of the whole project's cost. Another possibility is a bank loan, the city manager averred and directed City Attorney John Barber to get a written opinion on the city's power to borrow against funds due in the next fiscal year.

Councilmen generally were confident that Klein, who does his best shooting in the last quarter just before the gun, would turn up with something to extricate the city.

"We're not in any trouble yet," Councilman Paul Forgey said.

Although councilmen were not able to dispatch the built-in imbalance in the 1958-59 budget, they did manage to squeeze through the last session with trimmings totaling \$13,438 from Klein's suggested budget. The trimmings will go into unbudgeted reserves to provide the city with a rainy day fund slightly below last year's \$15,000.

At the opening of Friday night's session, the library board and City Librarian Geraldine Work argued

councilmen into putting back \$4193 for a junior librarian which was cut Thursday night. Funds for the post will come from the library's carry-over from last year.

The Santa Cruz Symphony was officially taken under the park and recreation department but with only \$500 approved of the \$1800 budget it presented to the council.

Klein suggested a "sponsors' concert" for cash be made of one of the three performances scheduled next year by the fledgling and aggressive group of hobby musicians. He said the symphony and the council could "gamble on the people of the city" for support with partial backing from the recreation budget.

To include the symphony, councilmen reinstated a \$400 cut from the department's \$40,430 budget. Roy Bergazzi, principal of the night high school which currently partially sponsored the musical group with state funds told councilmen:

"We don't want you to give us money, we simply want to be taken into the recreation department budget and be part of the city.

"The funds asked for by the group will defray costs of a conductor and rehearsals which currently are being met from the pockets of the musicians.

Of the other budgets considered, the council compromised with a city employees requests to give them three weeks vacations after 10 years service and \$3 per employe per month to apply toward the health insurance program currently totally financed by the individuals. The vacations will affect 34 employes next year and 46 the fiscal year following. The insurance payment will total \$4050 in the last half of next year and then take up an annual rate of \$8100.

The employes' original request was for three weeks vacation at the end of five years and health fringe benefits of \$5 per month.

In budget action councilmen cut \$200 from the civil service budget, \$1000 from the auditorium budget, \$1500 from general government, \$500 from the city clerk, \$450 from the city attorney and \$500 from salaries budgeted for councilmen.

This does not mean councilmen's salaries will be cut (from \$5 per meeting) but only that less money has been budgeted to the account.

Councilmen added to the budget \$500 for the symphony, \$300 to general government, \$4050 to the employes for fringe benefits and physical examinations, \$200 city attorney's salary, and \$4193 to the library from the carry-over. This last accounting move does not change the balance of the budget since the money came from carry-over within the library fund. The library tax rate, however, is reduced from 14 cents to 13 cents per \$100 assessed valuation.

Small Boat Hearing Is Set Friday

Sen. Donald L. Grunsky (R) of Santa Cruz and San Benito counties, has announced that a hearing of the senate interim committee on small boat harbors will be held at Santa Cruz in the city council chambers in the Santa Cruz city hall at 8 p.m. Friday.

The agenda for the hearing should be of interest to all boating enthusiasts in that it deals with the question of state participation in the boating program. Sen. Grunsky further stressed that this committee is interested