

Calaveras officials send out revenue SOS

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SAN ANDREAS - Calaveras County supervisors had glum expressions Tuesday night as they studied county finances.

The math is simple: County leaders are spending about \$7 million more than they are taking in in revenue during the 2013-14 fiscal year. Eager to please constituents worried about crime and to prepare for staff a new county jail now expected to open in January, they've dipped into savings to hire staff even though they won't be able to keep those people without a miraculous surge in county revenues.

What's complicated is the web of state laws that determine how the county government can raise and spend money.

Calaveras County Administrative Officer Lori Norton and County Counsel Janis Elliott spent almost two hours reviewing the state of county finances and the options for bringing in more money.

"Our revenues are staying flat and our expenses are growing," Norton said.

Norton put the focus on the county General Fund, the portion of the budget that pays for basic services including law enforcement and over which the county has the most control.

Almost half of county revenues, about \$45 million out of a total revenue stream in the present year of \$103.5 million, comes from state and federal sources and has strings attached. That money goes for things like health and welfare spending, and is determined almost entirely by state and federal authorities.

The General Fund, in contrast, is about \$32.2 million and local officials decide how it gets used.

Property taxes are the biggest single component of the General Fund at about \$9.16 million. That's down significantly from the more than \$13 million a year property taxes brought to the county government before the recession.

There are ways, with voter approval, that the county could increase revenue. Norton said increasing the sales tax by half a percentage point from the present 7.5 percent to 8 percent would bring in about \$1 million a year.

Increasing the county's transient occupancy tax, also called a hotel tax, to 10 percent, rather than the present 6 percent, would bring in about \$200,000 a year.

But even doing both those things would take time, and wouldn't happen unless voters supported it. And both those taxes would be far less than the current gap between county spending and revenues.

"The reason we talk more about expenses than revenues is because the board has more control over expenses," said Norton. In her first year as chief administrator, she has repeatedly warned the elected board that it was approving a level of spending that can't be sustained.

Supervisors said little after the presentation, except for Supervisor Debbie Ponte who said it was "helpful" and that she wanted to know the procedure for putting a sales tax increase on the ballot.

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