

Opinion: EDC residents should hide their wallets

By Larry Weitzman

The “Day of Reckoning” is coming and it’s not going to be playing at your local movie theater. But it is going to liberate your wallet by far more than a \$10 movie ticket.

It has become apparent in a nine-page memo sent to the El Dorado County Board of Supervisors from our honest CAO, Don Ashton. What happened? Just a year ago, our then carpetbagger CAO Larry Combs told the BOS that EDC was in “good financial shape ... and structurally balanced.” Of course, one of the first things on Combs’ agenda was to strip road maintenance from the General Fund budget.



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So what does Combs do? He hires his former ACAO at Sutter to be our ACAO and he hires her at the highest salary level, step five or about \$182,000 a year. It follows the spoils principle of “hire your friends.” Combs even said in the recruitment posting for the new CAO, EDC was in a strong financial position.

But now it appears from the nine-page single spaced Ashton memo to the BOS, things aren’t so rosy. Perhaps blood red is a better description as EDC is hemorrhaging and it’s going to get worse. The point of this document was money for road

maintenance.

On Nov. 7, 2000, EDC voters by a margin of 61 percent to 39 percent passed Measure H. In other words, overwhelmingly voted to allocate at least one half of the "vehicle in-lieu tax" which amounted to at least \$3.6 million (one-half of the tax collected in fiscal year 1998-99) to "be expended only upon public roads, way and highways for maintenance, repair, circulation, general road safety and fire access." It was a mandate to the BOS. These funds were part of the General fund at the time.

Unfortunately, about eight years later the state through some tax machinations took away the vehicle in-lieu tax (it was sort of replaced with something else) but it made Measure H ineffective and the BOS was no longer required to spend about \$3.5 million of General Fund money annually on road maintenance.

At the most recent budget hearings, there wasn't any General Fund money allocated for the maintenance and repair of our badly decaying 1,080 miles of "centerline" roads. But someone had the bright idea of grabbing \$2 million out of the Missouri Flat MC & FP (master circulation and finance plan). Our county counsel said he would get the legal questions solved and the money was put into the 2016-17 budget.

But now according to our new astute CAO, that might be a problem, a very big problem. According to his memo (which is nothing more than an "I told you so" from a previous column), it is possible to get the money, but only if EDC locks away \$24,968,000 to pay for the completion of all phase one improvements required under the plan which includes \$22.2 million to build the Diamond Springs four-lane parkway.

Of course, the BOS doesn't have \$25 million to lock away to free up \$2 million. Secondly, it would be beyond stupid to do so. County counsel who told the BOS it could be done was

talking out of his hat, never reading the Missouri Flat MC&FP formation documents as I did. And we pay this guy a quarter of a million dollars a year for bad advice and this is only the tip of the iceberg. About the only person who did read it, dozens of typos and all, was former BOS member Jack Sweeney who has said the BOS can't get to the money either.

So where does that leave us? It means a lack of road maintenance, more potholes and an eventual cost to the county of hundreds of millions of dollars. And as above, this is only the tip of the iceberg.

Pension costs are going up significantly, we are going to have the annual \$2.3 million expense for 40 years to pay for the new sheriff's facility and we have accumulated millions of dollars in deferred maintenance. But the BOS allocated a new expense of a \$150,000 for a public information officer, a spin doctor for when it all hits the fan. BOS will work the mantra "blame someone else." Maybe they should also try the late Flip Wilson excuse, "The devil made me do it."

It's worse. Ashton said in his memo and here it comes, the BOS should consider the feasibility of three new taxes. First, an increase in the transient occupancy tax. Second, an increase in the solid waste franchise fee and third, an increase in the county sales tax. The last two will affect all residents directly, while the former will affect our tourist business, which will have an indirect effect on all residents. I told you to hang on to your wallets.

So, what will the county do? Probably keep paying dues to the California State Association of Counties of about \$25,000 to \$30,000 a year. Why? Because they are the main lobbying arm for California's 58 counties. And what will they lobby for? New gasoline taxes using the excuse that gas taxes haven't gone up in over 20 years even though California has placed all kinds of new taxes on gasoline like what is effectively an oil severance tax to combat the boogey man "global warming." The

idea was with higher gas prices, people will use less of it. California's mileage standards also mean drivers use less gas as well. Another unthought of unintended consequence.

In our state Legislature, the voters have given the Democrats a blank check for new taxes because of super majorities so the counties will get more tax money that way and everyone will blame the state, but the real blame comes from our BOS for not managing the taxpayers' money. The bottom line, our allegedly conservative Republican BOS is going to hide behind the skirts of CSAC and the liberal super majority democrats of the state Legislature, even spending our taxpayer money to support a liberal democrat cause, raising taxes.

I seem to remember the words "operational efficiencies" at the last budget hearings. The real solution is to cut spending for the lesser and least efficient priorities and deadwood, but not for the number one and two priorities, public safety and road maintenance, excepting the deadwood. Speaking of operational efficiencies, I remember the BOS spending hundreds of thousands of dollars for a survey about a year ago, which not only said the same thing, but the BOS knew that before they spent the money. Perhaps they were hoping for a different result. That reminds me of Einstein's definition of insanity. But here is one operational efficiency, get a new county counsel. We are spending a lot of money for bad advice.

News flash: At the Jan. 24 BOS meeting, the EDC BOS voted without any discussion, debate or public input to support Senate Bill 1 which will raise gasoline, diesel and vehicle registration fees; \$7 billion annually which amounts to \$180 a person or about \$21 million a year for all of EDC. The average two-car family will see their taxes go up by over \$300 a year. Why? Because our BOS cannot make meaningful spending cuts. Any non-government business person could and would cut our general fund budget in a New York heartbeat. I told you so. Didn't Larry Combs tell the BOS just 15 months ago at the final 2015-16 budget hearings that EDC was in sound financial

condition?

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