

Equipment

Office—additional, reduce from \$46,143 to \$13,014 as a result of the elimination of 95 new positions, a saving of----- \$33,129

Land and Buildings—Expenditure by Object

Object	<i>Actual and estimated 1946-47</i>	<i>Estimated 1947-48</i>	<i>Increase or decrease Amount</i>	<i>Percent</i>
Operating expenses -----	\$257,594	\$363,862	\$106,268	41.3
Equipment -----	8,400	6,575	—1,825	—21.7
Totals -----	\$265,994	\$370,437	\$104,443	39.3

The Budget provisions for operating expense provide \$50,800 for repairs and alterations to existing structures. These funds will be used to repair and repaint approximately 14 buildings owned and 70 rented by the Department of Motor Vehicles. The rental agreements in most instances contain a provision that the State will maintain the premises during their tenancy and most of the buildings owned and rented by the department have gone 8 or 10 years without painting and repairs. The other items providing for land and buildings appear to be in line with the over-all needs of the department.

We recommend approval of \$370,437 for land and buildings as requested.

Pedestrian Crossing Guards—Expenditure by Object

Object	<i>Actual and estimated 1946-47</i>	<i>Estimated 1947-48</i>	<i>Increase or decrease Amount</i>	<i>Percent</i>
Salaries and wages -----	\$60,416	\$63,436	\$3,020	5.0
Operating expenses -----	1,255	1,393	138	11.0
Contributions to State Employees' Retirement Fund -----	--	2,284	2,284	100.0
Totals -----	\$61,671	\$67,113	\$5,442	8.8

The Budget includes \$67,113 for 73 crossing guards for which the counties reimburse the State through a deduction from the apportionment of motor vehicle fees per Section 782 of the Vehicle Code.

We recommend approval of this item as submitted.

Department of Natural Resources

Analysis of Proposed Expenditures for the 1947-48 Fiscal Year

Summary of the Department of Natural Resources

Items 227 to 257, pages 42 to 48, inclusive, of the Budget Bill and pages 678 to 752, inclusive, of the Budget. *Total amount requested, \$19,745,358 for all functions and from all sources.* In addition to this amount, \$4,713,560 is estimated to be spent from money already appropriated and \$210,700 for the State Employees' Retirement System.

The total amount to be spent is an increase of \$16,089,969, or 187.5 percent, over expenditures of \$8,579,649 in the 1945-46 Fiscal Year; and an increase of \$6,571,061, or 36.3 percent over the amount of \$18,098,557 allowed for expenditures in the 1946-47 Fiscal Year.

Table I below shows the increases requested by function and division, as well as source of funds for 1947-48 over 1946-47.

Table I—Expenditures Requested for the Department of Natural Resources by Function and Division for the Fiscal Year 1947-48 Compared to the Fiscal Year 1946-47

<i>Function and division</i>	<i>Estimated 1946-47</i>	<i>Proposed 1947-48</i>	<i>Increase or decrease Amount</i>	<i>Percent</i>
<i>General Fund</i>				
Support				
Departmental Administration-----	\$109,381	\$120,314	\$10,933	10.0
Division of Forestry-----	4,168,991	5,832,593	1,633,602	39.2
Division of Mines-----	176,651	210,521	33,870	19.2
Total -----	\$4,455,023	\$6,163,428	\$1,708,405	38.3
Other Current Expenses				
Division of Forestry-----	\$916,728	\$1,172,230	\$255,502	27.9
Division of Mines-----	82,549	50,000	—32,549	—39.4
Total -----	\$999,277	\$1,222,230	\$222,953	22.3
Capital Outlay				
Division of Beaches and Parks-----	\$1,955,500	\$3,990,000*	\$2,034,500	104.0
Division of Forestry-----	1,895,379	2,662,591†	767,212	40.5
Total -----	\$3,850,879	\$6,652,591	\$2,801,712	72.7
Total, General Fund-----	\$9,850,879	\$14,038,249	\$4,733,070	48.0
<i>Special Fund</i>				
Support				
Division of Beaches and Parks-----	\$974,709	\$1,361,755	\$387,046	39.7
Division of Fish and Game-----	3,073,772	3,587,260	513,488	16.7
Division of Oil and Gas-----	269,590	288,106	18,516	6.9
Total -----	\$4,318,071	\$5,237,121	\$919,050	21.3
Contributions to State Employees' Retirement Fund‡				
Division of Beaches and Parks-----	\$26,806	\$44,263	\$17,457	65.1
Division of Fish and Game-----	130,772	151,275	20,503	15.7
Division of Oil and Gas-----	14,286	15,162	876	6.1
Total -----	\$171,864	\$210,700	\$38,836	22.6
Other Current Expenses				
Division of Beaches and Parks-----	-----	\$75,000	\$75,000	--
Division of Fish and Game-----	\$40,970	40,000	—970	2.4
Total -----	\$40,970	\$115,000	\$74,030	180.7
Capital Outlay				
Division of Beaches and Parks-----	\$3,516,205	\$3,395,723	—\$120,482	—3.4
Division of Fish and Game-----	546,268	1,437,825	891,557	163.2
Division of Forestry-----	200,000	235,000§	35,000	17.5
Total -----	\$4,262,473	\$5,068,548	\$806,075	18.9
Total, Special Fund-----	\$8,793,378	\$10,631,369	\$1,837,991	20.9
Grand total-----	\$18,098,557	\$24,669,618	\$6,571,061	36.3

* The amount of \$3,990,000 is already appropriated by Chapter 1422, Statutes of 1945, and does not appear in the Budget Bill.

† \$488,560 is available from appropriation made by Chapter 146, Statutes of 1946, and does not appear in the Budget Bill.

‡ Not shown as an item in the Budget Bill.

§ Available from appropriation made by Chapter 145, Statutes of 1945, and does not appear in the Budget Bill.

Total increases from the General Fund amount to \$4,733,070, or 48.0 percent, composed of increases of \$1,708,405, or 38.3 percent for support; \$222,953, or 22.3 percent, for other current expenses; and \$2,801,712, or 72.7 percent, for capital outlay. Special fund increases total \$1,837,991, or 20.9 percent. This is composed of \$919,050, or 21.3 percent, for support; \$38,836, or 22.6 percent, for contributions for State Employees' Retirement System; \$74,030, or 180.7 percent, for other current expenses; and \$806,075, or 18.9 percent, for capital outlay.

Table II shows the request for increases broken down by division and function within the division.

**Table II—Comparison of Expenditures for the Fiscal Year 1947-48 With 1946-47
by Division and Function—Department of Natural Resources**

<i>Division and function</i>	<i>Estimated 1946-47</i>	<i>Proposed 1947-48</i>	<i>Increase or decrease Amount Percent</i>	
Departmental Administration				
Support	\$109,381	\$120,314	\$10,933	10.0
Total	\$109,381	\$120,314	\$10,933	10.0
Division of Beaches and Parks				
Support	\$974,709	\$1,361,755	\$387,046	39.7
Other current expenses	-----	75,000	75,000	--
Contributions to State Employees' Retirement Fund	26,806	44,263	17,457	65.1
Capital outlay	\$5,471,705	\$7,385,723*	\$1,914,018	35.0
Total	\$6,483,220	\$8,866,741	\$2,383,411	36.8
Division of Fish and Game				
Support	\$3,073,772	\$3,587,260	\$513,488	16.7
Other current expenses	40,970	40,000	—970	—2.4
Contributions to State Employees' Retirement Fund	130,772	151,275	20,503	15.7
Capital outlay	546,268	1,437,825	891,557	163.2
Total	\$3,791,782	\$5,216,360	\$1,424,578	37.6
Division of Forestry				
Support	\$4,168,991	\$5,832,593	\$1,663,602	39.9
Other current expenses	916,728	1,172,230	255,502	27.9
Capital outlay	2,095,379	2,897,591†	802,212	38.3
Total	\$7,181,098	\$9,902,414	\$2,721,316	37.9
Division of Mines				
Support	\$176,651	\$210,521	\$33,870	19.2
Other current expenses	82,549	50,000	—32,549	—39.4
Total	\$259,200	\$260,521	\$1,321	.5
Division of Oil and Gas				
Support	\$269,590	\$288,106	\$18,516	6.9
Contributions to State Employees' Retirement Fund	14,286	15,162	876	6.1
Total	\$283,876	\$303,268	\$19,392	6.8
Grand total	\$18,098,557	\$24,669,618	\$6,571,061	36.3

Contributions to the State Employees' Retirement Fund are not included in the Budget Bill.

* \$3,990,000 of this amount has been appropriated by Chapter 1422, Statutes of 1945, and does not appear in the Budget Bill.

† \$488,560 is available from the appropriation made by Chapter 146, Statutes of 1946; \$235,000 is available from the appropriation made by Chapter 145, Statutes of 1945, and these sums of \$723,560 do not appear in the Budget Bill.

The Division of Forestry shows the largest dollar increase, \$2,721,316, and the largest percentage increase, 37.9 percent, of any of the divisions of the Department of Natural Resources. The Division of Mines shows the smallest dollar increase, \$1,321, and the smallest percentage increase, .5 percent, in 1947-48. Including \$3,990,000 that is available to the Division of Beaches and Parks from an appropriation made by Chapter 1422, Statutes of 1945, the Division of Beaches and Parks shows an increase of \$2,383,411, or 36.8 percent, over 1946-47. The Division of Fish and Game requests an increase of \$1,424,578, or 37.6 percent, over 1946-47, while the Division of Oil and Gas requests increases of \$19,392, or 6.8 percent. Departmental Administration requests increases of \$10,933, or 10.0 percent, over 1946-47.

Departmental Administration, the Division of Forestry and the Division of Mines are supported mainly from the General Fund. The Division of Forestry for 1947-48 will also receive \$235,000 from the Postwar Employment Reserve Fund for capital outlay. The Division of Beaches and Parks requests \$3,990,000 available from \$15,000,000 appropriated by Chapter 1422, Statutes of 1945, from the General Fund, for matching funds to be used for the purchase of beach and park areas. Total General Fund expenditures requested for 1947-48 are \$14,038,249, of which amount \$4,478,560 is available from prior appropriations so that the amount requested in the Budget Bill from the General Fund is \$9,559,689.

The Divisions of Beaches and Parks, Fish and Game, and Oil and Gas are supported by special funds. \$235,000 is also made available to the Division of Forestry from the Postwar Employment Reserve Fund.

Total expenditures requested from special funds are \$10,631,369. Contributions to the State Employees' Retirement Fund, the amount of \$210,700, and the \$235,000 for the Division of Forestry are not included in totals to be spent by these agencies in the Budget Bill. Appropriations made by the Budget Bill are \$10,185,669.

**For Support of Departmental Administration, Department of
Natural Resources**

Item 227, pages 42 and 43 of the Budget Bill and pages 680 to 681, inclusive, of the Budget. Amount requested, \$120,314 from the General Fund for support. In addition to this sum, \$90,566 is requested as abatements from the various divisions within the department *making total support expenditures \$210,880.*

The support request of \$120,314 is an increase of \$29,804, or 33.1 percent, over expenditures of \$90,410 for 1945-46, and an increase of \$10,933, or 10 percent, over the amount of \$109,381 allowed for expenditures in the Fiscal Year 1946-47.

The total requested amount for expenditure, \$210,880 is \$62,553, or 42.2 percent, over expenditures of \$148,327 in the Fiscal Year 1945-46, and \$32,728, or 18.4 percent, over the amount \$178,152 allowed for expenditure in the Fiscal Year 1946-47.

Statistical Summary

The statistical summary below shows the distribution of proposed expenditures and sources of support funds.

Table I

Source	1946-47	1947-48	Increase or decrease	
			Amount	Percent
General Fund	\$109,381	\$120,314	\$10,933	10
Pro rata costs of Division of Beaches and Parks	20,636	32,391	11,755	60
Division of Fish and Game	43,081	52,178	9,097	21.1
Division of Oil and Gas	5,054	5,997	943	18.7
Total expenditures	\$178,152	\$210,880	\$32,728	18.4

Table II shows the distribution of total increases totaling \$32,728 by various objects of expenditure.

Table II—Distribution of Increases for 1947-48 Over 1946-47 by Object

Object	1946-47	1947-48	Amount	
			Amount	Percent
Salaries and wages	\$160,105	\$185,655	\$25,550	16.0
Operating expenses	13,400	16,460	3,060	22.8
Equipment	4,647	8,765	4,118	88.6
Totals	\$178,152	\$210,880	\$32,728	18.4

Salaries and Wages

Salaries and wages show an increase of \$25,550, or 16 percent. *Seventeen new positions are requested, nine of which are war emergency positions to be placed on a permanent basis and eight are entirely new positions.* The war emergency positions were originally given to the department because of increased work by the Divisions of Forestry and Beaches and Parks. The department says that the work load continues at the increased rate.

Six new positions and a reclassification are requested for the accounting section, based on a reported increased volume of work. The central accounting section handles all Pittman-Robinson and Clark-McNary work for the 30 counties with agreements. A thorough study should be made of the organization of the Department of Natural Resources. *The decentralization of the department has greatly increased the accounting work load.*

Two positions, assistant administrative adviser and an intermediate stenographer-clerk are requested for the executive section. The assistant administrative adviser will be a lawyer for the department and will relieve the work load on the director and deputy director-controller.

The positions requested are shown in Table III following.

Table III—New Positions and Extension of War Emergency Positions to Permanent Positions Requested

<i>Number</i>	<i>Classification</i>	<i>Salary range</i>	<i>Total cost</i>
	Executive		
1	Assistant Administrative Adviser-----	385 (20) 465	\$4,620
1	Intermediate Stenographer-Clerk -----	170 (10) 210	2,040
	Accounting		
1	Senior Account Clerk-----	200 (10) 240	2,400
3	Intermediate Typist-Clerk -----	160 (10) 200	5,760
1	Calculating Machine Operator-----	160 (10) 200	1,920
1	Junior Clerk		
	Reclassification of Intermediate-Typist- Clerk to Senior Typist-Clerk-----	190 (10) 230	360
	War Emergency Positions to Permanent Positions		
1	Senior Account Clerk -----	200 (10) 240	2,630
5	Intermediate Typist-Clerk -----	160 (10) 200	10,940
2	Intermediate Account Clerk-----	160 (10) 200	4,730
1	Senior Clerk -----	190 (10) 230	2,740
17	Total -----		\$39,820

Of the 17 new positions or war emergency positions, eight are for the position of intermediate typist-clerk and one as intermediate stenographer-clerk. *We recommend that two positions of intermediate typist-clerk be not approved. This is a saving of \$3,840.*

If the Division of Forestry is reduced as recommended the accounting section of the departmental administration should be reduced accordingly as the work will diminish.

Seasonal help remains high, \$2,750, in spite of the increase of eight new positions. This is used for hiring employees during a training period for clerical positions in which there is a large turnover. This should be reduced to \$1,000 a reduction of \$1,750.

Operating Expenses

Requested operating expenses total \$16,400, an increase of \$3,060, or 22.8 percent. The following items show an increase:

	<i>From</i>	<i>To</i>	<i>Amount</i>	<i>Percent</i>
Office -----	2,600	3,000	400	15.4
Printing -----	1,800	1,900	100	5.6
Traveling -----	2,600	5,800	3,200	123.1
Telephone and telegraph-----	1,200	1,300	100	8.3
Rent -----	100	200	100	100.0
Total -----	8,300	12,200	3,900	47.0

Decreases are shown in only two items below:

	<i>From</i>	<i>To</i>	<i>Amount</i>	<i>Percent</i>
Postage -----	3,400	2,600	800	23.5
Automobile -----	1,700	1,660	40	2.4
Total -----	5,100	4,260	840	16.5

We feel that traveling expenses show too large an increase from \$2,600 to \$5,800, an increase of \$3,200 or 123.1 percent. We recommend that this amount be reduced by \$2,300 to \$4,500. This is still an increase of \$1,900 or 73.1 percent over 1946-47.

Equipment

Increases requested for equipment total \$4,118 or 88.6 percent over 1946-47 due to additional equipment for the new positions requested, \$1,427 and replacement of office equipment, \$2,397 and automobile replacements, \$294.

We recommend that equipment be reduced by \$200 because of the recommended disapproval of two intermediate typist-clerks.

Revenues

Revenues are estimated as the same as in 1946-47 at \$10.

Recommendations

We recommend that Item 227 be approved for the amount of \$110,024, a reduction of \$10,290 or 8.5 percent from the Budget request.

We recommend that the following reductions be made:

1. Reduce office equipment, additional by \$200.
2. Reduce salaries and wages by \$5,590.
3. Reduce traveling expenses by \$4,500.

The schedule of expenditures amended to reflect the recommended reductions would be as follows:

Salaries and wages	\$180,065
Operating expenses	11,960
Equipment	8,568
Total	\$200,590
Less reimbursements	90,566
Total	\$110,024

We further recommend that a thorough study be made of the organizational structure of the Department of Natural Resources, particularly as it is concerned with accounting practices and procedures to eliminate duplication between the departmental administration and divisional and regional offices. A clarification of the relationship of the Department of Natural Resources with the Division of Fish and Game should result from such a study. *At the present time there is confusion as to the duties and powers of the director of the Department of Natural Resources in regard to the Division of Fish and Game.*

By Sections 501, 503 and 504 of the Public Resources Code the Director of Natural Resources is made the administrative head of the Department of Natural Resources. The Division of Fish and Game is designated as one of four divisions of the Department of Natural Resources.

By Attorney General Opinion No. 10712, dated May 20, 1936, it was stated that the Fish and Game Commission was the administrative head

of the Division of Fish and Game. Opinion No. 46-93, dated April 5, 1946, confirmed this by stating that the Fish and Game Commission and not the Director of the Department of Natural Resources was the appointing power of the Fish and Game Division.

However in Attorney General's Opinion No. NS-5330, dated February 21, 1944, the Fish and Game Commission was forbidden to set up an accounting system in the Division of Fish and Game Commission independent from that established by the Director in the Department of Natural Resources.

This is an intolerable situation from an organizational and administrative standpoint and should be corrected.

Summary of the Division of Beaches and Parks

Items 228 to 241, inclusive, of the Budget Bill and pages 680 to 705, inclusive, of the Budget. *Amount requested \$4,832,478 for all functions and from all sources.* An additional \$4,034,263 is estimated to be spent above the amounts shown in the Budget Bill or a total of \$8,866,741. This money is obtained from the General Fund, the State Park Fund, the State Beach Fund and the State Park Maintenance Fund.

The total expenditures represents an increase of \$8,107,616 or 1,068.1 percent over expenditures of \$759,098 in the Fiscal Year 1945-46; and an increase of \$2,393,494 or 37 percent over the amount of \$6,473,220 allowed for expenditure in the Fiscal Year 1946-47.

\$3,990,000 of the \$8,866,741 has already been appropriated under Chapter 1422, Statutes of 1945. The amount of \$3,990,000 will not have to be appropriated in 1947-48 Appropriation Bill as it is available from the balance remaining in the original appropriation of \$15,000,000. \$44,263 are contributions to the State Employees Retirement Fund from the State Park Maintenance Fund.

The expenditures are shown below in Table I broken down as to fund.

Table I—Expenditures Requested for the Division of Beaches and Parks Listed by Fund

Fund	1945-46	1946-47	1947-48	Increase or decrease	
				Amount	Percent
State Park Maintenance Fund	\$106,082	\$307,739	\$222,817	—\$84,922	—27.6
State Park Fund	410,897	2,913,121	3,492,124	579,003	19.9
State Beach Fund	242,119	1,296,860	1,161,800	—135,060	—10.4
General Fund	—	1,955,500	†3,990,000	2,034,500	104.0
Total	\$759,098	\$6,473,220	\$8,866,741	\$2,393,521	37.0

* Including contributions to State Employees Retirement Fund, \$44,263.

† Available from appropriation made by Chapter 1422, Statutes of 1945. No additional appropriation needed.

Table II contains the expenditures of the State Park Maintenance Fund by object. Total expenditures for support show an increase of \$387,046 or 39.7 percent over expenditures of \$974,709 for 1946-47. Amounts payable from other funds total \$1,183,201 compared to \$693,776 in 1946-47, or an increase of \$489,425 or 70.5 percent. Contributions to Employees Retirement Fund show an increase of \$17,457 or 65.1 percent

over the amount of \$26,806 in 1946-47. Net expenditures of the State Park Maintenance Fund are estimated at \$222,817 as compared to \$307,739 in 1946-47, a decrease of \$84,922 or 27.6 percent.

The State Park Maintenance Fund receives the fees, rentals and other returns for use of the state parks. Money may be transferred to the State Park Maintenance Fund from the State Park Fund and the State Beach Fund. It may be used for the construction, improvement, equipment and maintenance of state parks as approved by the Legislature. (Section 5010 Public Resources Code.)

Table II—Estimated Expenditures From the State Park Maintenance Fund for 1947-48 Compared to Expenditures of 1946-47

<i>Function</i>	<i>1946-47</i>	<i>1947-48</i>	<i>Increase or decrease Amount Percent</i>	
Support				
Administration -----	\$119,327	\$160,804	\$41,477	34.8
Maintenance -----	630,264	880,142	249,878	39.6
Sutter's Fort and Indian Museum--		25,040	25,040	New
Engineering and planning-----	118,310	172,696	54,386	46.0
Acquisition -----	106,808	123,073	16,265	15.2
Total support -----	\$974,709	\$1,361,755	\$387,046	39.7
Less amounts payable from other funds				
State Park Fund-----	517,311	887,401	370,090	71.5
State Beach Fund-----	176,465	295,800	119,335	67.6
Total payable from other funds--	\$693,776	\$1,183,201	\$489,425	70.5
Net total support-----	\$280,933	\$178,554	\$102,379	—36.4
Contributions to State Employees				
Retirement Fund -----	26,806	44,263	17,457	65.1
Total expenditures -----	\$307,739	\$222,817	—\$84,922	—27.6

Table III shows estimated expenditures from the State Park Fund compared to actual and estimated expenditures of 1946-47. Current expense estimates show an increase of \$395,090 or 76.4 percent over the \$517,311 allowed for 1946-47, making a total estimated expenditure of \$912,401. Capital outlay will increase by \$183,913 or 7.7 percent over the \$2,395,810 for 1946-47. Total expenditures from the State Park Fund are estimated at \$3,492,124, an increase of \$579,003 or 19.9 percent over the amount \$2,913,121 allowed for 1946-47.

The State Park Fund receives 46½ percent of the balance in the State Lands Fund after deductions are made for refunds on leases, and *after such money is used by the State Lands Commission as is approved by the Director of Finance and the Governor*. We are recommending this procedure of fixed charges be repealed. (Chapter 967—Statutes of 1943) This money is to be used for the improvement and maintenance of state parks, monuments, roads, trails and pathways and can be specifically appropriated by the Legislature for acquisition and construction of state parks, monuments, roads, trails and pathways providing access to the state parks.

**Table III—Estimated Expenditures From the State Park Fund
for 1947-48 Compared to 1946-47 by Function**

<i>Function</i>	<i>1946-47</i>	<i>1947-48</i>	<i>Increase or decrease Amount Percent</i>	
Support -----	\$517,311	\$887,401	\$370,090	71.5
Other current expenses -----		25,000	25,000	---
Total current expenses -----	\$517,311	\$912,401	\$395,090	76.4
Capital outlay				
Acquisition real property -----	\$354,358	\$192,223	—\$162,135	—45.7
Riders and hikers trails -----	241,454	124,000	—99,454	—41.2
Construction, improvements and repairs -----	1,799,998	2,245,500	445,502	24.7
Total capital outlay -----	\$2,395,810	\$2,259,723	\$183,913	7.7
Total expenditures -----	\$2,913,121	\$3,492,124	\$579,003	19.9

Estimated expenditures of the State Beach Fund total \$1,161,800 for 1947-48, an increase of \$135,060 or 10.4 percent from allowed expenditures of \$1,296,860 for 1946-47. Support expenditures are estimated at \$295,800 compared to \$176,465, an increase of \$119,335 or 67.6 percent. Other current expenditures are estimated at \$50,000 for 1947-48. Nothing was allowed for 1946-47.

The State Beach Fund receives 23½ percent of the balance in the State Lands Act Fund after deductions are made for refunds on leases and *such money as is used by the State Lands Commission is approved by the Director of Finance and the Governor. The money is to be used for the acquisition, improvement and maintenance of state beaches.* (Section 6816 of the Public Resources Code, Chapter 967, Statutes of 1943.)

**Table IV—Estimated Expenditures of the State Beach Fund for 1947-48
Compared to Expenditures for 1946-47 by Function**

<i>Function</i>	<i>1946-47</i>	<i>1947-48</i>	<i>Increase or decrease Amount Percent</i>	
Support -----	\$176,465	\$295,800	\$119,335	67.6
Other current expenses				
Mean high tide line survey -----		25,000	25,000	---
Plan and surveys for acquisition and development of beaches -----		25,000	25,000	---
Total current expenses -----	\$176,465	\$345,800	\$169,335	95.9
Capital outlay				
Acquisition real property -----	\$639,500	\$250,000	—\$389,500	—60.9
Repairs and equipment -----	480,895	566,000	85,105	17.7
Totals, capital outlay -----	\$1,120,395	\$816,000	—\$304,395	—27.2
Total expenditures -----	\$1,296,860	\$1,161,800	—\$135,060	—10.4

Estimated expenditures for capital outlay from the General Fund total \$3,990,000 compared to \$1,955,500 for 1946-47, an increase of \$2,034,500 or 104 percent.

This money has all been appropriated under Chapter 1422, Statutes of 1945 and will not require a new appropriation. The functions for which this money is requested are shown in Table V below.

Table V—Estimated Expenditures From the General Fund for Capital Outlay for 1947-48 Compared to Estimated Expenditures for 1946-47

Function	1946-47	1947-48	Increase or decrease Amount Percent	
Capital outlay				
Acquisition real property				
Parks -----	\$755,500	\$990,000	\$234,500	31
Beaches -----	1,200,000	3,000,000	1,800,000	150
Totals -----	\$1,955,500	\$3,990,000	\$2,034,500	104

The Division of Beaches and Parks is technically a special fund function, but it is not self-supporting. To be self-supporting, the revenues of the State Park Maintenance Fund would have to support the division. This is not the case.

Revenues from the activities of the Division of Beaches and Parks are estimated to total \$194,500 for the Fiscal Year 1947-48. This is compared to total expenditures for all purposes of \$8,866,741 for 1947-48 and expenditures of \$1,361,775 for support. The difference is made up from the State Park Fund and the State Beach Fund. These funds receive their revenue from leases of and royalties from state lands.

The Legislature has made available large sums of money from the General Fund for the acquisition of beaches and parks property (\$15,000,000 by Chapter 1422, Statutes of 1945) ; such money cannot be used for the construction, operation, or maintenance of facilities on these properties. The money for those purposes must be obtained from the State Park Maintenance Fund, the State Park Fund, and the State Beach Fund.

Tying the maintenance of beaches and parks to oil royalties is a poor policy. While oil royalties are high, large amounts are available for maintenance; but when the oil royalties diminish the difference will have to be met out of the General Fund, or there will have to be a reduction in the activities of the division. We approve of the use of these funds for capital outlay and capital improvements but not for maintenance. Maintenance should be paid for from revenues from the use of the facilities. Royalties from the depletion of a natural resource should be used for the acquisition of another natural resource such as the beach and parks areas. Continuing to pay for maintenance from oil royalties makes this, a fixed charge, which is increasing an obligation against an income which will be diminished.

Recommendations, General

We recommend that an effort be made to make the Division of Beaches and Parks more nearly self-supporting than it is at the present time.

We also recommend that the program of expansion be curtailed during this period of high costs. If properties are acquired, we recommend that the development of these areas be postponed, unless such a postponement would cause a loss to the State. Such decision should be made by the State Park Commission with the approval of the Director of Finance. In any case we recommend that no construction be undertaken until the building cost index drops to 350.

We recommend that the revenues from oil land royalties be placed in the General Fund and used where needed. Having the division set up nominally as a special fund activity, induces less economy than if the expenditures had to be justified on a basis of comparative need with other agencies and services.

If this money from the rents and royalties from state lands is not placed in the General Fund we recommend that it be used only for the acquisition of beach and park areas and not for the maintenance of these areas.

We recommend that the purpose for which the General Fund money is made available for the acquisition of new beach and park areas, include the cost of acquiring the land as well as the cost of the land itself. Title and escrow expenses for 1947-48 are estimated at \$15,000. *This should be considered as a part of the cost of the property.*

We recommend that Section 6816 (b) of the Public Resources Code be repealed, returning to the Legislature its control over state funds.

For Support of the Division of Beaches and Parks

Item 228, page 43, of the Budget Bill and pages 684 to 689, inclusive, of the Budget. Amount requested, \$1,361,755 for support—the State Park Maintenance Fund.

This represents an increase of \$897,098 or 193.1 percent over expenditures of \$464,657 in the Fiscal Year 1945-46; and an increase of \$387,046 or 39.7 percent over the amount of \$974,709 allowed for expenditure in the 1946-47 Fiscal Year.

Table I below shows the distribution of increase by function and object. Administration expenses requested total \$160,804, an increase of \$41,477 or 34.8 percent over the amount of \$119,327 allowed in 1946-47. Maintenance expenses are estimated at \$880,142, an increase of \$249,878 or 39.6 percent over 1946-47. Sutter's Fort and Indian Museum requests total \$25,040, an increase of \$1,825 or 7.9 percent over the \$23,215 allowed for 1946-47, which was paid from the General Fund. Engineering and Planning are estimated to need \$172,696 compared to \$118,310 in 1946-47. This is an increase of \$54,386 or 46 percent. Acquisition requests total \$123,073 or \$16,265 or 15.2 percent higher than the \$106,808 allowed in 1946-47.

Table I—Estimated Expenditures for the Fiscal Year 1947-48 Compared to Estimated and Actual Expenditures for the Fiscal Year 1946-47 by Function and Object

<i>Function and object</i>	<i>1946-47</i>	<i>1947-48</i>	<i>Increase or decrease</i>	
			<i>Amount</i>	<i>Percent</i>
Administration :				
Salaries and wages-----	\$47,095	\$58,515	\$11,420	24.2
Operating expenses-----	70,136	96,828	26,692	38.1
Equipment-----	2,096	5,461	3,365	160.5
Totals-----	\$119,327	\$160,804	\$41,477	34.8
Maintenance :				
Salaries and wages-----	\$425,878	\$614,154	\$188,276	44.2
Operating expenses-----	104,040	122,025	17,985	17.3
Equipment-----	113,846	158,863	45,017	39.5
Totals-----	\$643,764	\$895,042	\$251,278	39.0
Less reimbursements for maintenance--	\$10,000	\$11,400	\$1,400	14.0
La Purisima Mission-----	3,500	3,500	-----	---
Net totals-----	\$630,264	\$880,142	\$249,878	39.6
Sutter's Fort and Indian Museum				
Salaries and wages-----	\$19,740	\$20,240	\$500	2.5
Operating expenses-----	3,190	3,300	110	3.4
Equipment-----	285	1,500	1,215	426.3
Totals-----	\$23,215	\$25,040	\$1,825	7.9
Engineering and Planning :				
Salaries and wages-----	\$72,278	\$112,965	\$40,687	56.3
Operating expenses-----	39,110	51,746	12,636	32.3
Equipment-----	6,922	7,985	1,063	15.4
Totals-----	\$118,310	\$172,696	\$54,386	46.0
Acquisition :				
Salaries and wages-----	\$63,990	\$79,390	\$15,400	24.1
Operating expenses-----	35,450	40,265	4,815	13.6
Equipment-----	7,368	3,418	-3,950	-53.6
Totals-----	\$106,808	\$123,073	\$16,265	15.2
Grand totals-----	\$974,709	\$1,361,755	\$387,046	39.7

Table II shows the increases requested by object of expenditure.

Table II—Estimated Expenditures for the Fiscal Year 1947-48 Compared to the Fiscal Year 1946-47 by Object

	<i>1946-47</i>	<i>1947-48</i>	<i>Increase or decrease</i>	
			<i>Amount</i>	<i>Percent</i>
Salaries and wages-----	\$609,241	\$885,264	\$276,023	45.3
Operating expenses-----	248,736	314,164	65,428	26.3
Equipment-----	130,232	177,227	46,995	36.1
Less reimbursements-----	-13,500	-14,900	1,400	10.4
Totals-----	\$974,709	\$1,361,755	\$387,046	39.7

Salaries and wages comprise 64.3 percent or \$885,264 of the requested amount for 1947-48, \$1,361,755, and show an increase of \$276,023 or 45.3 percent over 1946-47. Operating expenses make up 22.8 percent of the requested amount, and is an increase of \$65,428 or 26.3 percent over 1946-47. Equipment requests are 12.9 percent of the total requested amount and are \$387,046 or 39.7 over 1946-47.

ADMINISTRATION

Salaries and Wages

Requested increases in salaries and wages total \$11,420 or 24.2 percent over 1946-47.

Three new positions are requested as well as the reclassification of an intermediate clerk to senior clerk. The new positions are one Deputy Chief of Division \$5,100, one senior stenographer-clerk \$2,400 and one intermediate account clerk \$1,920 and the reclassification is requested for an intermediate clerk to senior clerk. There has been no assistant to the chief other than an administrative aid who has no policy making powers. *The position of deputy chief is recommended approved.* A study of the stenographic pool should be made. The chief has been using the stenographic pool for his secretarial work. With the addition of the deputy chief, a senior stenographer-clerk should be added to be used by both the chief and the deputy chief.

Departmental administration of the Department of Natural Resources is requesting increases in their accounting staff due to an increased load. *A determination should be made as to whether the Department of Natural Resources or the various divisions are to do the accounting work.* Until a decision is made and because the accounting staff in the departmental administration of the Department of Natural Resources was increased, *we recommend that the position of intermediate account-clerk not be approved, a reduction of \$1,920.*

Operating Expenses

Increases for operating expenses are estimated at \$26,692 or 38.1 percent over 1946-47. Prorata charges for departmental administration and other agencies show the largest increases. These are listed in Table III below.

Table III—Comparison of Estimated Pro Rate Charges
1947-48 With Those of 1946-47

Charges	1946-47	1947-48	Increase or decrease Amount Percent	
Departmental administration -----	\$20,636	\$32,391	\$11,755	57
General fiscal administration -----	6,000	7,631	1,631	27.2
Attorney general services -----	5,000	5,000	---	---
Personnel board services -----	5,820	10,266	4,446	76.4
Total -----	\$37,456	\$55,278	\$17,822	47.6

With the exception of the Attorney General all departmental pro-rate charges and other agency prorata charges show an increase, and comprise the major portion of operating expense increases. Departmental

administration charges show the largest increase, \$11,755 or 57 percent but Personnel Board charges show the largest percentage gain, 76 percent, from \$5,820 to \$10,266.

Rent requests increased by \$6,278 or 81 percent over the \$7,752 allowed for 1946-47. This is due to contemplated increases in space in Sacramento, San Francisco and Los Angeles.

Equipment

Requested increases in equipment total \$3,365 or 160.5 percent over the amount of \$2,096 allowed for 1946-47. This made up in part for equipment for the additional positions requested, \$1,681, replacement of the division chief's car, \$1,700, and the purchase of movie projectors and screens, \$1,940.

The division originally requested a multilith to print manuals and other high grade mimeographing work. This budget allows them one mimeographing machine. A careful study should be made with the question of whether the mimeograph can do the work satisfactorily and whether the machine might not better be placed in departmental administration.

We recommend that a reduction of \$100 be made in equipment requests following our recommendation not to approve the position of intermediate-account clerk.

MAINTENANCE

Requested increases for maintenance total \$251,278 or 39 percent. The amounts necessary for maintenance are closely connected with the expansion and construction programs for the fiscal year 1946-47 and into 1947-48.

Salaries and Wages

Increases requested for salaries and wages show the largest monetary increases, \$188,276 and the largest percentage increase of 44.2 percent.

Seventy-six new positions are requested. The distribution of the requested positions and our recommendations are shown in the table below.

Table IV

<i>Title</i>	<i>Requested number</i>	<i>Number reduced</i>	<i>Recommended number</i>	<i>Saving</i>
State Park Ranger, Grade III.....	6	3	3	\$9,000
State Park Ranger, Grade II.....	5	5	0	13,200
State Park Ranger, Grade I.....	51	13	38	29,640
Curator Historical Monument.....	2	—	2	—
Senior Engineering Aid.....	5	—	5	—
Automobile Mechanic.....	2	1	1	2,760
Carpenter-Foreman.....	3	—	3	—
Janitor-Janitress.....	2	—	2	—
Reclassification of Skilled Laborer.....	—	—	—	—
Total	76	22	54	\$54,600

We recommend that the following reductions in new positions be made.

1 State Park Ranger, Grade II—La Purisima Historical Monument. The distribution at this park is one Grade III, one Grade II, two Grade I, one janitor, one curator, and one groundsman and gardener. The attendance in 1946 was 13,246.

1 State Park Ranger, Grade I—Big Sur Redwoods. There are at Big Sur one ranger, Grade III, three rangers Grade II and five rangers Grade I, or a total of nine rangers. Attendance in 1946 was 86,232.

1 State Park Ranger, Grade I—Stephens Grove. This park is now staffed with one ranger, Grade I and had an attendance in 1946 of 1500. There are several areas in the park system that are not maintained during the winter and the program of having some of the rangers from these areas brought in to patrol can be continued.

1 State Park Ranger, Grade I—Williams Grove. Three rangers are now assigned to this park with an attendance of 27,000.

1 State Park Ranger, Grade I—Mill Creek. No one is stationed here now but a Grade I and a Grade II were requested. We recommend the approval of the ranger Grade II, but not the ranger Grade I. Attendance in 1946, 8,000.

1 State Park Ranger Grade I—Portola. This park is now staffed with a ranger Grade III and a ranger Grade II. Attendance in 1946, 8,562.

1 State Park Ranger, Grade I—Samuel B. Taylor. Now staffed with one ranger Grade III, Grade II and Grade I. Requested, two rangers, Grade I. Facilities for 1,500 a day.

1 State Park Ranger, Grade I—Will Rogers Home State Park. Now staffed with one ranger, Grade III, two rangers, Grade II and two rangers, Grade I. Requested one Grade II and two Grade I. *Recommend reduction of one Grade I.* Attendance 81,950. There is a considerable number of buildings to maintain.

In addition to the above positions we recommend that the following positions also not be allowed.

3 State Park Ranger, Grade III
4 State Park Ranger, Grade II
6 State Park Ranger, Grade I
1 Automobile Mechanic

With the exception of the six State Park Rangers, Grade I, all of the above positions have been established but the funds not used for the purpose of paying the salaries of these position. These positions should be filled before any new positions are established.

Operating Expenses

Increases requested total \$17,985 or 17.3 percent. This item also shows the effect of an expanding program and is as low as can be expected.

Equipment

Increases requested in equipment total \$45,017 or 39.5 percent. The large amount requested, \$158,863, is due principally to the increased replacement of automotive equipment, \$38,775, and additional automotive equipment, \$80,365.

SUTTER'S FORT AND INDIAN MUSEUM

The Department of Finance requests that Sutter's Fort and Indian Museum be placed under the Division of Beaches and Parks rather than the Division of Buildings and Grounds, Department of Finance. *Such a transfer has not been made, and will be dependent upon action by the Legislature.*

Salaries and Wages

Estimated increases total \$500, or 2.5 percent. No additional positions are requested but there is an increase in temporary help of \$500 for the Indian Museum.

Operating Expenses

Increases as requested total \$110, or 3.4 percent, over the \$3,190 allowed for 1946-47. *If the new automobile is to be used for the collection of Indian relics and other items of interest and benefit to Sutter's Fort and the Indian Museum, we recommend that the amount for automobile operating expenses be increased by \$300 to \$400.*

Equipment

Requested increases total \$1,215 or 106.3 percent over the \$285 allowed for 1946-47. *We recommend that these requests be approved.*

ENGINEERING AND PLANNING

Increases requested total \$54,386 or 46.0 percent over the amount \$118,310 allowed for 1946-47 due to increases in the acquisition and development program.

Salaries and Wages

Salaries and wages requested for 1947-48 show an increase of \$40,687 or 56.3 percent over the amount allowed, \$72,278 in 1946-47.

Eleven new positions are requested at an increase of \$43,540 for salaries. The program will be of a temporary nature, as it is tied in with the expansion and development program of the division, as well as surveying present facilities. The staff should be reduced within a year or two as this work should have been completed within such a period. When the work has been done once, a permanent staff of five or six should be able to handle the load.

The seasonal help item is for the employment of survey crews and laborers.

Operating Expenses

Increases requested total \$12,636 or 32.3 percent. If the program is to be carried out, the operating expenses will be large and will show large increases over 1946-47.

Equipment

Increases in equipment total \$1,063 or 15.4 percent over the amount of \$6,922 allowed for 1946-47.

ACQUISITION

Requested increase for the support of the acquisition section total \$16,265 or 15.2 percent over the amount of \$106,808 allowed for 1946-47, making a total requested expenditure of \$123,073 for 1947-48.

This function is a temporary one and should be eliminated entirely when the money appropriated for the State Park System has been spent. Reductions should be contemplated seriously in the next few years and the budget should reflect these reductions.

At the present time when the expansion program is new and the land is to be purchased, an increase in the budget is to be expected.

We recommend that the title and escrow expenses amounting to \$15,000 be deleted from the Budget. *We recommend that the costs of title and escrow processes be included in the cost of property acquired through the expenditure of the acquisition of General Fund money appropriated under Chapter 1422, Statutes 1945, and not as an expense in this section.*

Recommendations

We recommend that Item 228 be approved for the amount of \$1,303,935, a reduction of \$57,820 or 4.2 percent.

We recommend that all mapping and survey programs be coordinated with that being done by other agencies. All aerial survey maps should be supplied by the State Engineer as a part of the over-all aerial survey work of that office.

The schedule of expenditures as amended to coincide with recommended reductions would be:

Salaries and wages	\$828,744
Operating expenses	314,064
Equipment	176,027
Total	\$1,318,835
Less reimbursements for employees maintenance	11,400
La Purisima Mission maintenance, Santa Barbara County	3,500
Net appropriation	\$1,303,935

For Investigation and Surveys and Preparation of Plans for the Acquisition and Development of State Parks

Item 229, page 43, of the Budget Bill, and page 689 of the Budget. *Amount requested, \$25,000 from the State Park Fund.*

We recommend that Item 229 be approved for the amount of \$25,000 as requested.

For Investigation and Surveys and Preparation of Plans for the Acquisition and Development of State Beaches

Item 230, page 43, of the Budget Bill, and page 689 of the Budget. *Amount requested, \$25,000 from the State Beach Fund.*

We recommend that Item 230 be approved for the amount of \$25,000 as requested.

For Mean High Tide Line Survey

Item 231, pages 43 and 44, of the Budget Bill, and page 689 of the Budget. *Amount requested, \$25,000 from the State Beach Fund to be used for a survey to establish the mean high tide line along certain ocean beaches.*

We recommend that Item 231 be approved as submitted. We feel that it will be a saving to the State to establish this line and that this should be the first of a series of such surveys.

For Development of Riders and Hikers Trails, Division of Beaches and Parks

Item 232, page 44, of the Budget Bill and page 690 of the Budget. *Amount requested \$142,000 for capital outlay in connection with the development of riders and hikers trails from the State Park Fund.*

This represents a decrease of \$99,454 or 41.2 percent from the amount of \$241,454 allowed for expenditures in the Fiscal Year 1946-47.

The program of rider and hiker trails development is a new program established by the Legislature in Chapter 1469, Statutes of 1945. The Legislature provided \$300,000 for the development of the program by Chapter 112, Statutes 1946. This was the first money provided for the program.

We recommend that Item 232 be approved for the amount of \$50,000, a reduction of \$92,000 in view of the fact that a definite program has not been established. This money should be expended for options on trail and accommodation areas, money for which would be appropriated at the next session of the Legislature. This work should be done under the supervision and control of the Board of Property Acquisition.

For the Acquisition of Additional Redwood Park Areas in Humboldt and Del Norte Counties

Item 233, page 44, of the Budget Bill, and page 690 of the Budget. *Amount requested, \$52,233 from the State Park Fund.* Any money withdrawn from this Item must be matched by like amounts in money, property, or lands received from private or other sources. This money is to be used for the acquisition of real property for parks in the Mill Creek and Avenue of the Giants areas. This represents an increase of \$26,112, or 100 percent, over expenditures of \$26,111 for the Fiscal Year 1945-46; and a decrease of \$26,110, or 33.3 percent from the amount of \$78,333 allowed for expenditure in the 1946-47 Fiscal Year.

Since 1939-40, the amounts expended for this purpose have been as follows:

1939-40-----	\$148,500	1943-44-----	\$37,103
1940-41-----	---	1944-45 Est.-----	65,209
1941-42-----	26,111	1945-46-----	26,111
1942-43 Est.-----	76,111	1946-47 Est.-----	78,333
Total -----		\$457,478	

We recommend that Item 233 be approved.

**For Acquisition of Parcels of Land Adjacent to or Surrounded
by Presently Owned State Parks**

Item 234, page 44, of the Budget Bill, and page 690 of the Budget. *Amount requested, \$100,000 from the State Park Fund.* This money is to be used to acquire lands adjacent to or surrounded by present state parks in order to properly administer, operate, or maintain any state park. The amount of land allowed to be acquired is limited to 10 percent of the present area of the individual park, the boundary of which it is desired to extend.

We recommend that Item 234 be approved as submitted.

**For the Purchase of Additional Land and Structures in the Old Business
Section of the Town of Columbia, Tuolumne County**

Item 235, page 44, of the Budget Bill, and page 690 of the Budget. *Amount requested, \$40,000 from the State Park Fund to be used to acquire additional lands and structures in the old business section of the Town of Columbia, Tuolumne County.* This amount must be matched by a like amount from sources other than state appropriations.

Fifty thousand dollars was appropriated by Chapter 138 of Statutes of 1945 for this purpose. This is a continuation of the program.

We recommend that Item 235 be approved as submitted.

For Acquisition of Beach Lands, Division of Beaches and Parks

Item 236, page 45, of the Budget Bill, page 700 of the Budget. *Amount requested, \$100,000 from the State Beach Fund.* This money is to be spent on the acquisition of beach lands adjacent to present state beach sites, but the amount of land purchased cannot be more than 10 percent of the original area of the beach. This is an increase of \$60,000, or 150 percent over the amount of \$40,000 allowed for expenditure in the Fiscal Year 1946-47.

We recommend that Item 236 be approved as submitted.

For the Acquisition of Beach Lands, Division of Beaches and Parks

Item 237, page 45, of the Budget Bill and page 700 of the Budget. *Amount requested, \$150,000 from the State Beach Fund.* This money is to be used for the acquisition of shoreline property between highway right of way and the mean high tide line as provide in Sections 880 and 881 of the Streets and Highways Code.

We recommend that Item 237 be approved for the amount of \$100,000, a reduction of \$50,000, and that all acquisition be performed under the supervision and control of the Board of Property Acquisition.

**For Construction, Improvement, Repair and Equipment
of the State Park System**

Item 238, page 45, of the Budget Bill, pages 690 to 700, inclusive, of the Budget. *Amount requested, \$2,145,500 from the State Park Fund, for the construction, improvement, repair and equipment of state parks.*

This is an increase of \$2,094,747 or 4,127.4 percent over expenditures of \$50,753 in the Fiscal Year 1945-46, and an increase of \$345,502 or 19.2 percent over the amount of \$1,799,998 allowed for expenditure in the Fiscal Year 1946-47.

We recommend that only so much of this program be undertaken as will save the State from loss due to delay. The development of sewage disposal facilities, water supplies and trails and roads should be done as rapidly as conditions permit, but the major portion of the program should not be done until the building cost index drops below 350.

We recommend that Item 238 be approved as submitted with the above restrictions.

**For the Construction, Improvement, Repair and Equipment of State
Parks Acquired Subsequent to January 1, 1947**

Item 239, page 45, of the Budget Bill, and page 700 of the Budget. *Amount requested, \$100,000 from the State Park Fund for the construction, improvement, repair and equipment of state park areas acquired subsequent to January 1, 1947.*

We recommend that Item 239 be approved as submitted with the provision that only so much of this program be undertaken as will save the State from loss until the building cost index falls below 350.

For Construction, Improvements, Repairs, and Equipment of State Beaches

Item 240, page 45, of the Budget Bill and pages 701 to 703 inclusive of the Budget. *Amount requested, \$466,000 from the State Beach Fund for the construction, improvement, repairs, and equipment of state beaches.*

This is an increase of \$321,877, or 223.3 percent over expenditures of \$144,123 in the Fiscal Year 1945-46 and a decrease of \$14,895, or 3.1 percent, over the amount of \$480,895 allowed for expenditure in the Fiscal Year 1947-48.

We recommend that Item 240 be approved as submitted but that this program be delayed until the building cost index falls below 350. In cases where the State would suffer loss through such delay, we recommend that the program be carried forward, particularly in essential items such as the development of sewage disposal facilities and water supplies.

**For Construction, Improvements, Repairs, and Equipment of State
Beaches Acquired Subsequent to January 1, 1947**

Item 241, page 45, of the Budget Bill and page 703 of the Budget. *Amount requested, \$100,000 from the State Beach Fund.* This money is to be spent on the construction, improvements, repairs, and equipment of the state beaches acquired since January 1, 1947.

We recommend that Item 241 be approved as requested. We further recommend that the program of construction, improvements, repairs, and

equipment be delayed until the building cost index falls below 350. In cases where loss to the State would occur through a delay, we recommend that the program be carried forward.

Summary of Division of Fish and Game

Items 242 to 245, inclusive, of the Budget Bill, and pages 706 to 722, inclusive, of the Budget. Amount requested, \$5,216,360 for all functions from the Fish and Game Preservation Fund.

This represents an increase of \$2,833,106, or 118.9 percent, over expenditures of \$2,383,254 in the Fiscal Year 1945-46; and an increase of \$1,424,578 or 37.6 percent over the amount \$3,791,782 allowed for expenditure in the Fiscal Year 1946-47. \$3,587,260 is for support expenditures; \$151,272 for contributions to State Employees' Retirement Fund; \$40,000 for other current expenses; and \$1,437,825 for capital outlay.

These figures are shown in Table I, below, with the increases requested over 1946-47.

Table I—Comparison of Requested Expenditures for the Fiscal Year 1947-48 With Estimated Expenditures for the Fiscal Year 1946-47 By Function

Function	1946-47	1947-48	Increase or decrease	
			Amount	Percent
Support				
Administration	\$207,476	\$254,460	\$46,984	22.6
Patrol and law enforcement.....	1,058,230	1,126,307	68,077	6.4
Marine fisheries	253,222	404,018	150,796	59.6
Fish conservation	793,090	848,852	55,762	7.0
Game conservation	519,219	746,325	227,106	43.7
Licenses	207,535	207,298	—237	—1.1
Engineering	—	—	—	—
Construction of fish screens and stream improvements	35,000	—	—35,000	—100.0
Totals, support.....	\$3,073,772	\$3,587,260	\$513,488	16.7
Contributions to State Employees' Retirement Fund.....	\$130,772	\$151,275	\$20,503	15.7
Other current expenses				
Game Management (in cooperation with the Federal Government under the Pittman-Robertson Act) ..	40,970	40,000	—970	—2.3
Totals, current expenses.....	\$3,245,514	\$3,778,535	\$533,021	16.4
Capital outlay				
Acquisition of real property	\$73,187	\$50,000	—\$23,187	—31.7
Construction, improvements, repairs, and equipment	473,081	1,387,825	914,744	193.3
Totals, capital outlay.....	\$546,268	\$1,437,825	\$891,557	163.2
Total expenditures.....	\$3,791,782	\$5,216,360	\$1,424,578	37.6

Salaries and wages comprise the largest item by object of expenditure, \$1,888,780, or 52.4 percent, with operating expenses amounting to \$1,328,063, or 36.9 percent, and equipment \$384,917, or 10.8 percent.

The distribution of expenditure by object and by function is shown in Table II, below:

Table II—Distribution of Requested Expenditures by Object and Function
For 1947-48 Compared to 1946-47

Object	1946-47	1947-48	Increase or decrease	
			Amount	Percent
Salaries and wages				
Administration	\$44,440	\$50,215	\$5,775	13.0
Patrol and law enforcement	611,880	641,620	29,740	4.9
Marine fisheries	171,475	246,285	74,810	43.6
Fish conservation	427,175	497,095	69,920	16.4
Game conservation	343,345	414,235	70,890	20.6
Licenses	36,330	39,330	3,000	8.3
Total salaries and wages	\$1,634,645	\$1,888,780	\$254,135	15.5
Operating expenses				
Administration	\$162,186	\$199,323	\$37,137	22.9
Patrol and law enforcement	275,750	325,030	49,280	17.9
Marine fisheries	56,520	110,105	53,585	94.8
Fish conservation	299,640	318,385	18,745	6.3
Game conservation	174,648	209,495	34,847	20.0
Licenses	169,500	165,725	—3,775	—2.3
Construction of fish screens	35,000	—	—35,000	—100
Total operating expenses	\$1,173,244	\$1,328,063	\$155,819	13.2
Equipment				
Administration	\$850	\$4,922	\$4,072	479.1
Patrol and law enforcement	170,600	159,657	—10,943	—6.4
Marine fisheries	25,227	47,628	22,401	88.8
Fish conservation	76,525	43,872	—32,653	—74.4
Game conservation	14,550	126,595	112,045	770.0
Licenses	1,705	2,243	538	31.6
Total equipment	\$289,457	\$384,917	\$95,460	33.0

The Division of Fish and Game is a self-supporting function. A surplus has been built up in the Fish and Game Preservation Fund. Estimates of the unbudgeted surplus as of July 1, 1947, show a surplus of \$3,360,783. Estimated revenues for 1947-48 are \$3,212,294 and expenditures as proposed are \$5,216,360, making an unbudgeted surplus as of June 30, 1948, of \$1,331,717. This is a reduction of the surplus by \$2,029,066. Support expenditures of \$3,587,260, total more than revenues. To support expenditures must be added the \$151,275 (Contributions to the Retirement Fund) and \$40,000 for other current expenses to show total current expenses. Current expenses total \$3,738,535 compared to rev-

enues of \$3,212,294, so that the division is not being supported out of current revenues. This is shown in Table III below:

Table III—Statement of Unbudgeted Surplus
Fish and Game Preservation Fund

Estimated unbudgeted surplus, July 1, 1947-----	\$3,360,783
Estimated revenue for Fiscal Year 1947-48-----	3,212,294
Total-----	\$6,573,077
Less proposed expenditures for Fiscal Year 1947-48, Division of Fish and Game	
Support-----	\$3,587,260
Contributions to State Employees' Retirement Fund-----	151,275
Other current expenses-----	40,000
Capital outlay-----	1,437,825
Total, Division of Fish and Game-----	\$5,216,360
Department of Public Works—Division of Water Resources:	
(Repair restoration and maintenance of Jenner Jetty)----	25,000
Total proposed expenditures-----	\$5,241,360
Estimated unbudgeted surplus June 30, 1948-----	\$1,331,717

Serious consideration should be given to this condition where a large organization is being built up that cannot be supported out of current revenues. It is a sound policy to use the surplus for capital outlay, but it is unwise to have to maintain and support this organization out of surplus or savings. No increase in fees and licenses is contemplated by the Division of Fish and Game.

We recommend that consideration be given now to either increasing the licenses and fees to fully cover the current expenses of the Division of Fish and Game or that a reduction in current expenditures be made so they fall within current revenues. It is apparent that current expenses for the next Fiscal Year will be increased because of increased capital expenditures from this Budget in excess of \$2,000,000.

There are several programs contained in the Budget of the Division of Fish and Game that can be reduced or discontinued at the end of the Fiscal Year 1947-48. The total of these programs is approximately \$1,269,000 a year.

We recommend that legislative action be taken to clarify and strengthen the organization of the Division of Fish and Game in regard to its relationship to the Department of Natural Resources.

By Sections 501, 503, and 504 of the Public Resources Code, a Department of Natural Resources is created with a Director at its head. It is provided by these sections that the Director shall organize and administer the department, subject to approval of the Governor. The department is divided into at least four divisions, one of which is Fish and Game.

However, by two opinions of the Attorney General, No. 10712, dated May 20, 1936, and No. 46-93, dated April 5, 1946, it has been held that

the Director of the Department of Natural Resources is not the administrative head of the Division of Fish and Game and that he has no authority as an appointing power. These powers are vested in the commission itself, a body which cannot meet more than five days a month. The executive secretary of the Division of Fish and Game has been designated by the commission as the administrative head of the Division of Fish and Game.

In Opinion No. NS-5330, dated February 21, 1944, the Attorney General held that the Fish and Game Commission could not establish an accounting system in the Division of Fish and Game independent from that in the Department of Natural Resources.

This is bad organization and should be corrected. The operation of both the Division of Fish and Game and the Department of Natural Resources would be improved by a clarification of the situation.

For Support of Division of Fish and Game

Item 242, pages 45 and 46, of the Budget Bill and pages 707 to 717, inclusive, of the Budget. *Amount requested, \$3,587,260 for support from the Fish and Game Preservation Fund.*

This represents an increase of \$1,348,575 or 60.2 percent over expenditures for the Fiscal Year 1945-46; and an increase of \$513,488 or 16.7 percent over the amount of \$3,073,772 allowed for expenditure in the 1946-47 Fiscal Year.

Table I below shows the distribution of requested expenditures by object; \$1,888,780 for salaries and wages, \$1,328,063 for operating expenses, and \$384,917 for equipment with reimbursements of \$14,500.

Table I—Expenditures by Object

Object	Estimated 1946-47	Proposed 1947-48	Increase or decrease Amount Percent	
Salaries and wages-----	\$1,634,645	\$1,888,780	\$254,135	15.5
Operating expenses -----	1,173,244	1,328,063	154,819	13.2
Equipment -----	289,457	384,917	95,460	33.0
Totals -----	\$3,097,346	\$3,601,760	\$504,414	16.3
Reimbursements:				
For employees' maintenance-----	—14,000	—14,500	—500	3.6
For expenditures chargeable to Pittman-Robertson Projects -----	—9,574	-----	9,574	---
Net totals -----	\$3,073,772	\$3,587,260	\$513,488	16.7

ADMINISTRATION

Requested increases total \$46,984 or 22.6 percent. Salaries and wages account for \$5,775 of this increase which is an increase of 13.0 percent over 1946-47. Operating expenses show an increase of \$37,137 or 22.9

percent over 1946-47 while equipment requested is \$4,072 or 479.1 percent over 1946-47. These figures are shown in Table II, below:

Table II—Requested Increases of Administration for the Fiscal Year 1947-48 Compared to Estimated Expenditure 1946-47

Object	1946-47	1947-48	Increase or decrease	
			Amount	Percent
Salaries and wages-----	\$44,440	\$50,215	\$5,775	13.0
Operating expenses-----	162,186	199,323	37,137	22.9
Equipment-----	850	4,922	4,072	479.1
Total-----	\$207,476	\$254,460	\$46,984	22.6

Salaries and wages

Two requested new positions, Library Aid and Intermediate Stock Clerk, decrease in salary savings and merit salary adjustments, account for the requested increase of \$5,775 for the Fiscal Year 1947-48 over 1946-47.

We recommend that the two positions be approved.

The files in the Roster Section of the Personnel Board show that the position of Intermediate File Clerk was abolished in October 1946 and that there have been, up until January 22, 1947, three permanent positions of Intermediate Stenographer-Clerk. On that day one of these positions was abolished and a permanent position of Senior Typist Clerk set up. These facts are not reflected in the Budget as presented. The abolished position shows in the Budget and the permanent position is not shown.

Operating Expenses

Increases requested for operating expenses total \$37,137 or 22.9 percent over 1946-47 due to a general over-all increase in all phases.

Public information increased from \$1,250 to \$2,500, an increase of 100 percent. Combined with photography, \$11,000, education, \$1,500, exhibits, \$1,000, and library, \$250, this makes a total for comparable activities of \$16,250. *We recommend that public information be reduced to \$1,250, the same as in 1946-47, in view of the increased program of movies and photography. This is a reduction of \$1,250.*

Traveling expenses appear high, \$14,600 for administration. This figure is based on an expense account of \$250 a month for the Executive Secretary and lesser amounts by other members of the staff. This is excessive and leaves little or no time to do much work other than travel. *In 1945-46 travel expenses were \$7,412 compared to \$14,600 requested in 1947-48. With the regional organization the amount of travel necessary should be reduced. We recommend that this amount be reduced by \$2,600 to \$12,000.*

We also recommend that automobile expenses be reduced to \$2,000, a reduction of \$500. This will allow \$400 or approximately 17,000 miles a year for the additional car requested, figured on a cost of 2.4 cents per mile, over the amount allowed for 1946-47.

Equipment

Requested increases total \$4,072 or 479.1 percent. \$850 is estimated for the 1946-47 Fiscal Year, compared to \$4,922, the 1947-48 Fiscal Year estimate.

PATROL AND ENFORCEMENT

Increases requested for the Patrol and Enforcement Bureau total \$68,077 or 6.4 percent. This is composed of increases in salaries and wages of \$29,740 or 4.9 percent, operating expenses \$49,820 or 17.9 percent, and a decrease of \$10,943 or 6.4 percent in equipment. This is a small increase compared to the total increase and appears that the Fish and Game Commission is neglecting one of its most important functions. There are a great many vacant positions in this section and this Budget provides money to fill the positions and it will increase the number of wardens available for law enforcement. The increases are shown in Table III below:

Table III—Comparison of Requested Amounts for Patrol and Enforcement in the Fiscal Year 1947-48 With Estimated Expenditures in 1946-47

Object	Estimated 1946-47	Proposed 1947-48	Increase or decrease Amount Percent	
Salaries and wages-----	\$611,880	\$641,620	\$29,740	4.9
Operating expenses -----	275,750	325,030	49,280	17.9
Equipment -----	170,600	159,657	—10,943	—6.4
Total -----	\$1,058,230	\$1,126,307	\$68,077	6.4

Salaries and Wages

Six new positions are requested for 1947-48 comprising \$21,960 of the total increase of \$29,740. Established positions show a reduction of six from the number allowed in 1946-47. The total employees for this bureau will thus be the same in 1947-48 as in 1946-47. The list below shows the positions transferred or abolished and the new ones requested.

Positions Transferred or Abolished

1	Captain Fish Patrol Boat-----	\$310 (15) 370
1	Marine Diesel Engineman-----	250 (15) 310
2	Deck hand -----	180 (10) 220
1	Deck hand and Radio Operator-----	200 (10) 240
1	Ship's Cook -----	190 (10) 230

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Proposed New Positions

2	Assistant Chief -----	\$365 (20) 445	\$8,760
1	Intermediate Stenographer-Clerk -----	170 (10) 210	2,040
1	Warden-Pilot -----	310 (15) 370	3,720
2	Fish and Game Patrol Captain-----	310 (15) 370	7,440

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\$21,960

The position of Warden-Pilot is dependent upon the purchase of a new amphibian plane in the 1946-47 Fiscal Year. *If no plane is allowed by the Legislature, this position should not be allowed. Some provision should be made to see that the money for this position is segregated until the plane is purchased.*

Requests for Fish and Game Seasonal Aid increased \$12,700, or 54.7 percent, from \$22,300 to \$35,000. *We recommend that this be reduced to \$22,300, the same as allowed in 1946-47.*

We recommend that the other positions be established as requested.

Operating Expenses

Increases requested total \$49,280 or 17.9 percent over the estimates of \$275,750 for 1946-47.

Traveling expenses show an increase of \$9,000 or 9.2 percent over 1946-47 when an estimated \$97,800 is to be spent. The department uses a figure of \$600 a year per man for travel. This allows 11,000 miles per man at a cost of 5.5 cents per mile or 75 days a year at \$8 per day.

Of the amount of \$10,000 requested for airplane operation, \$4,000 is for the operation of the new airplane requested of the Legislature in 1946-47. *\$4,000 of this amount should be segregated until the plane is purchased. Game Conservation will reimburse the Bureau of Patrol and Enforcement \$6,100 for the use of the airplanes.* If only one airplane is used, as at present, the amount of the reimbursements is to be \$6,000.

We recommend that \$4,000 be set aside until the amphibian plane is purchased and in operation.

Equipment

Decreases for equipment requested total \$10,943 or 6.4 percent from the amount of \$170,600 allowed for expenditure in the 1946-47 Fiscal Year.

Equipment to be purchased includes 20 new automobiles and the replacement of 71 more for a total expenditure of \$97,900. \$50,000 is requested for boat replacement amounting to \$40,000 plus \$10,000 for additional gear and equipment.

We recommend that these items be approved.

MARINE FISHERIES

Total increases requested are \$150,796 or 59.6 percent over the amount of \$253,222 allowed for 1946-47. Salaries and wages account for \$74,810 or 49.6 percent of the amount, increases in operating expenses comprise \$53,585 or 35.5 percent, and equipment \$22,401 or 14.9 percent.

This is shown in Table IV below.

Table IV—Increases Requested for Marine Fisheries in the Fiscal Year 1947-48 Compared to Estimated Expenditures in 1946-47

Object	Estimated 1946-47	Proposed 1947-48	Increase or decrease	
			Amount	Percent
Salaries and wages	\$171,475	\$246,285	\$74,810	43.6
Operating expenses	56,520	110,105	53,585	94.8
Equipment	25,227	47,628	22,401	88.8
Totals	\$253,222	\$404,018	\$150,796	59.6

Salaries and Wages

Increases requested total \$74,810 or 43.6 percent over 1946-47. This is due to six established positions transferred from Patrol and Enforcement and requests for eight new positions. The new positions requested are listed below:

Proposed New Positions:

1	Intermediate Stenographer-Clerk	170(10)210	\$2,040
1	Intermediate Account Clerk	160(10)200	1,920
3	Junior Aquatic Biologist	220(10)260	7,920
1	Associate Aquatic Biologist	310(15)370	3,720
1	Fish Hatchery Assistant	180(10)220	2,160
1	Assistant Marine Diesel Engineman	180(10)220	2,160
8	Total, salaries and wages		\$19,920

We recommend that the three positions of Junior Aquatic Biologist not be allowed. The justification for these positions was to carry on the work that had been neglected by the war. We find that there is one more position authorized now than prior to the war. There are two vacancies in the existing positions of Junior Aquatic Biologist. The reduction will be \$7,920.

There are, at present, three positions of Associate Aquatic Biologist that have been vacant since they were established in July 1, 1946, so that the addition of one new position will in effect allow the bureau four positions above present activities. We recommend that the position of Associate Aquatic Biologist not be allowed until the three vacant positions are filled to see if the addition of the three positions cannot handle the work. Under present conditions, there is no basis for knowing if the new position is necessary. This is a reduction of \$3,720.

Reductions recommended in salaries and wages total \$11,640.

Operating Expenses

Requested increases total \$53,585, or 94.8 percent over 1946-47.

We recommend the following reductions:

1. \$7,050 in traveling expenses, to \$20,000. This provides 10,000 miles a year per man for 36 men at 5.5c per mile, or approximately 69 days a year at \$8 a day.
2. \$1,500 in automobile expenses to \$9,000, which allows 346,000 miles at 2.6c per mile.
3. \$650 in boat rental—allowing \$1,500 at \$35 a day, or 42 days.
4. \$5,500 in fish specimens and tagged fish—allowing \$4,000 or 100 percent increase over 1946-47.
5. \$2,000 for fish tags allowing \$900 for fish tags, an increase of \$504, or 127.3 percent over 1945-46 and an increase of 80 percent over \$500 spent in 1940-41.

Total recommended deductions, \$16,700.

Equipment

Requested increases total \$22,401, or 88.8 percent, over 1946-47.

We recommend that the amount of money for additional automobiles be reduced by \$4,200, to a total of \$7,500, compared to \$11,700 requested. This is a reduction of three cars, sedans, because of recommended deletion of four new positions.

FISH CONSERVATION

Requested expenditure for Fish Conservation totaled \$848,852, an increase of \$55,762, or 7.03 percent. Salaries and wages requested increased \$69,920, or 16.4 percent over 1946-47; operating expenses increased \$18,745, or 6.3 percent, over 1946-47; and equipment decreased \$32,653, or 42.7 percent, from 1946-47. Reimbursements for employees maintenance increased to \$10,500 from \$10,250, an increase of \$250, or 2.4 percent. Table V shows these facts.

Table V—Comparison of Requested Expenditures for the Fiscal Year 1947-48 and Estimated Expenditures for the Fiscal Year 1946-47 for Fish Conservations

Object	1946-47	1947-48	Increase or decrease	
			Amount	Percent
Salaries and wages-----	\$427,175	\$497,095	\$69,920	16.4
Operating expenses -----	299,640	318,385	18,745	6.3
Equipment -----	76,525	43,872	—32,653	—42.7
Totals -----	\$803,340	\$859,352	\$56,012	7.0
Less reimbursement for employees maintenance-----	10,250	10,500	250	2.4
Net totals -----	\$793,090	\$848,852	\$55,762	7.0

Salaries and Wages

Proposed new positions and reclassifications amount to \$30,940. The positions requested are shown below:

<i>Proposed New Positions:</i>			
No.	Title	Salary Range	Cost
	Asst. Supervisor of Fish Hatcheries (Reclassification of one Fish Hatchery Construction Foreman) -----	\$310 (15) 370	\$180
3	Fish Hatchery Man-----	220 (10) 260	7,920
3	Fish Hatchery Foreman-----	240 (10) 280	8,640
3	Junior Aquatic Biologist-----	220 (10) 260	7,920
1	Senior Fisheries Biologist-----	265 (15) 325	3,180
	Intermediate Steno-Clerk (Reclassification of one Jr. Steno-Clerk)-----	170 (10) 210	360
	Asst. Sanitary Engineer (Reclassification of one Jr. Sanitary Engineer)-----	295 (15) 355	180
	Seasonal help -----		2,560
10			\$30,940

Three positions of Fish Hatchery Man were established on January 1, 1947. Two of these have not been filled as yet. *We recommend that the*

requested positions not be granted until it is shown that these three positions cannot handle the work load. A reduction of \$7,920 is recommended.

We recommend the deletion of the \$2,560 item for seasonal aid under New Positions because the amounts requested for Fish and Game seasonal aid and Student Biologist seasonal aid total \$44,120, compared to \$32,435 in 1946-47.

The reclassification of a Junior Typist-Clerk is based not on increased work but failure to obtain help at the salary. *We recommend that the money, \$360, be appropriated but that it is not used until a study is made by the Personnel Board regarding the matter.*

Reductions recommended total \$10,480.

Operating Expenses

Requested increases total \$18,745 or 6.3 percent. *We recommend that traveling expenses be reduced by \$1,350 to \$29,000.* This allows \$500 per year for the four positions of Biologists approved.

The item for fish screen maintenance and stream improvement is a transfer from the activity absorbed by Fish Conservation.

Equipment

Equipment requests are a reduction of \$32,653 or 42.7 percent from the amount of \$76,525 allowed in 1946-47.

GAME CONSERVATION

Requested increases total \$227,106 or 43.7 percent. The increase is composed of requested increases in salaries and wages, \$70,890, operating expenses \$34,847, and equipment \$112,045. These increases are shown in the table below:

Table VI—Comparison of Requested Amounts for Game Conservation in the Fiscal Year 1947-48 and Estimated Expenditures for the Fiscal Year 1946-47

Object	Estimated 1946-47	Proposed 1947-48	Increase or decrease	
			Amount	Percent
Salaries and wages-----	\$343,345	\$414,235	\$70,890	20.6
Operating expenses-----	174,648	223,295	48,647	27.9
Less—Reimbursement from Pittman- Robertson Act-----	-	13,800	13,800	100.0
Equipment-----	14,550	126,595	112,045	770.
Less—Reimbursement from Employ- ment Maintenance-----	3,750	4,000	250	6.7
Pittman-Robertson Act-----	9,754	-	9,754	100.
Total-----	\$519,219	\$746,325	\$227,106	43.7

Salaries and Wages

Increases requested total \$70,890 or 20.6 percent over 1946-47. These increases are caused by merit salary adjustments, \$6,605, a decrease in salary savings of \$26,800, and 18 new positions requested, \$50,820. This

is reduced by a decrease in salaries paid for established positions of \$13,335.

The new positions requested are shown below :

<i>Proposed New Positions:</i>			
<i>No.</i>	<i>Title</i>	<i>Salary range</i>	<i>Cost</i>
1	Laborer -----	150(10)190	\$1,800
3	Game Bird Breeders -----	180(10)220	6,480
4	Game Manager -----	310(15)370	14,880
5	Assistant Game Manager -----	240(10)280	14,400
3	Game Management Aid -----	180(10)220	6,480
1	Assistant Game Biologist -----	265(15)325	3,180
1	Senior Account Clerk -----	200(10)240	2,400
-	Senior Steno-Clerk (Reclassification of one Intermediate Steno-Clerk) -----	200(10)240	120
-	Game Management Aid (Reclassification of 10 Assistant Fish and Game Wardens) -----	180(10)220	-
-	Assistant Game Biologist (Reclassification of two Junior Game Biologists) -----	265(15)325	1,080
18			<u>\$50,820</u>

Game bird breeding is one of the programs designated by the Division of Fish and Game as being capable of a large reduction. At the present time two aspects of the program are being conducted, natural propagation and propagation in game bird farms. A decision should be made as to which type of program is to be carried on and a reduction in the personnel made to conform to this decision.

Operating Expenses

Requested increases total \$48,647 or 27.9 percent over 1946-47.

We recommend the following reductions:

1. *Travel by \$11,000 to \$30,500, which is an increase of \$9,300 over 1946-47.* With vacancies of 18 hunter and trapper positions, 4 since 7-1-45 and 6 since 11-1-45, and numerous other vacancies in the Bureau the original amount seems excessive.

2. *Automobile expenses by \$10,000 to \$60,000, which is an increase of \$15,300 over 1946-47.*

Equipment

Requested increases for equipment total \$112,045 or 700 percent over 1946-47.

Automotive equipment is the largest single item, \$95,165 composed of additional equipment, \$44,150, and replacements, \$51,015.

We recommend the following reductions:

1. *Additional automobiles, \$5,600, or a reduction of four automobiles at \$1,400 each.*

Licenses

Decreases requested total \$237 or .11 percent over the amount of \$207,535 allowed for 1946-47. The difference is due to a decrease in license buttons of \$11,000. Combined with increases in other categories, the decrease is reduced to \$237.

Table VII below shows the distribution of the increases and decreases in this section.

Table VII—Increases and Decreases Requested in the License Bureau for the Fiscal Year 1947-48 Compared to the Fiscal Year 1946-47

Object	Estimated 1946-47	Proposed 1947-48	Increase or decrease Amount Percent	
Salaries and Wages.....	\$36,330	\$39,330	3,000	8.3
Operating Expenses.....	169,500	165,725	—3,775	2.2
Equipment	1,705	2,243	538	31.6
Total	\$207,535	\$207,298	—237	—11

Salaries and Wages

Increases requested totaling \$3,000 are due in part to request for one new position, Junior Clerk, \$1,680 and two reclassifications.

We recommend that the position of Junior Clerk be allowed and the reclassification of Senior Account Clerk to Supervising Account Clerk Grade 1 be allowed, but that reclassification of Supervising Account Clerk Grade 1 to District Supervisor of Collections not be allowed. The law does not provide for discretionary powers as to the amount of bond to be collected by the Division of Fish and Game from persons receiving licenses on consignment. The bond is fixed at the value of the licenses delivered. A person of the grade of Supervising Account Clerk Grade 1 can handle the job. This is a reduction of \$180.

Recommendations

We recommend that Item 242 be approved for the amount of \$3,500,330, a reduction of \$86,930 or 2.4 percent.

We recommend that \$7,720 of the amount appropriated be segregated for the position of Warden-Pilot and for plane operation until the purchase of the new amphibian airplane is approved by the Legislature.

We recommend that if surplus air-sea rescue boats are purchased by the Bureau of Patrol and Enforcement, great care is exercised in their selection. Certain types are excessively expensive to operate.

Reductions recommended apportioned by object and function are as follows:

Administration	
Operating expense	\$4,350
Patrol and Law Enforcement	
Salaries and wages	12,700
Marine Fisheries	
Salaries and wages	11,640
Operating expenses	14,900
Equipment	4,200
Fish Conservation	
Salaries and wages	10,480
Operating expenses	1,350
Game Conservation	
Operating expenses	21,530
Equipment	5,600
Licenses	
Salaries and wages	180
Total	\$86,930

Positions recommended not approved are listed below:

Patrol and Law Enforcement

- 1 Warden-Pilot in case a new amphibian plane is not allowed by the Legislature.

Marine Fisheries

- 3 Junior Aquatic Biologists
1 Associate Aquatic Biologist

Fish Conservation

- 3 Fish Hatchery Man

The schedule of expenditures amended to reflect the recommended reductions is shown below.

Salaries and wages -----	\$1,853,780
Operating expenses -----	1,285,933
Equipment -----	375,117
Total -----	\$3,514,830
Less: Reimbursements for services to employees -----	14,500
Net appropriation -----	\$3,500,330

For Pittman-Robertson Program Cooperation, Division of Fish and Game

Item 243 of the Budget Bill and page 718 of the Budget. *Amount requested \$40,000 for other current expenses from the Fish and Game Preservation Fund.*

This is an increase of \$28,702, or 254 percent over expenditures of \$11,298 for the Fiscal Year 1945-46; and a decrease of \$970, or 2.4 percent from the amount of \$40,970 allowed for expenditures in the Fiscal Year 1946-47.

The money requested is a net appropriation to cover the cost to the State of cooperation with the Federal Government in Game Management under the Pittman-Robertson Act.

We recommend that Item 243 be approved as submitted.

For Purchase of Real Property, Division of Fish and Game

Item 244 of the Budget Bill and page 719 of the Budget. *Amount requested, \$50,000 for the purchase of real property from the Fish and Game Preservation Fund.*

This is an increase of \$49,187, or 6050 percent over expenditures of \$813, for the Fiscal Year 1945-46, and a decrease of \$23,187, or 31.7 percent from the amount of \$73,187 allowed for expenditures in the Fiscal Year 1946-47.

The property to be purchased is to be used for public shooting grounds, but no money has been allocated. This is one of the projects that has been listed among those that can be curtailed at the end of the year if the program does not fulfill anticipations.

We recommend that Item 244 be approved as submitted, but that the public shooting grounds be made self-supporting.

For Construction and Improvements, Division of Fish and Game

Item 245, page 46, of the Budget Bill and pages 719 to 721 inclusive of the Budget. *Amount requested, \$1,387,825 for capital outlay from the Fish and Game Preservation Fund.*

This represents an increase of \$1,353,109 or 389.8 percent over expenditures of \$34,716 in the Fiscal Year 1945-46; and an increase of

\$917,744 or 194 percent over the amount of \$473,081 allowed for expenditures in the 1946-47 Fiscal Year.

This program as outlined appears too large to be accomplished in one fiscal year in view of programs of other agencies. We recommend that where possible, without injuring the over-all program, the construction of new facilities be delayed until a period of lower cost. The money is available in the Fish and Game Preservation Fund but careful consideration should be given before these programs are undertaken.

\$501,000 is requested for Marine Fisheries. The major items of the program of this section are the purchase of a research vessel, to conduct studies and investigations of marine life, \$125,000, and the construction of a laboratory at Berkeley for \$300,000.

Fish conservation requests a total of \$660,950. Of this amount \$232,950 is for the improvement of existing hatcheries and the remaining \$428,000 is for the construction of new facilities.

Game conservation requests total \$225,875; \$70,000 of this is for new game farms and \$55,750 for the development of waterfowl areas and public shooting grounds. The remainder, \$100,125, is for construction of new facilities on winter range and game refuges and the construction of quail facilities in desert and coastal areas. \$48,750 is to be spent on quail habitats.

Before the \$70,000 is spent on the new game farms and the \$48,750 spent on quail facilities, a decision should be made by the Division of Fish and Game whether game bird propagation is to be done in game farms or in the field areas.

We recommend that Item 245 be approved as submitted but that the projects involving new construction and new developments amounting to approximately \$898,125 be delayed until the building cost index falls below 350. No project should be undertaken without the showing that a delay in such development would cause serious losses to the State.

For Support of the Division of Forestry

Item 246, page 46, of the Budget Bill and pages 722-746, inclusive, of the Budget. Amount requested, \$5,832,593 for support from the General Fund. *This is an increase of \$2,883,404 or 97.8 percent over expenditures of \$2,949,189 in 1945-46 and \$1,663,602 or 39.9 percent over expenditures of \$4,168,991 in 1946-47.*

Distribution of proposed support expenditures for 1947-48 by administrative unit is shown as follows in Table I.

Table I—Comparison of Proposed Expenditures of the Division of Forestry for 1947-48 With Actual and Estimated Expenditures in 1946-47, by Administrative Unit

	Actual and estimated 1946-47	Proposed 1947-48	Increase or decrease Amount Percent	
Administration -----	\$238,419	\$302,185	\$63,766	26.7
Forest protection -----	3,681,335	5,188,227	1,506,892	40.9
Forest management -----	81,630	132,263	50,633	62.0
Range improvement -----	27,710	41,770	14,060	50.7
Maintenance of improvements -----	129,127	153,678	24,551	19.0
State nursery -----	10,770	14,470	3,700	34.4
Totals support -----	\$4,168,991	\$5,832,593	\$1,663,602	39.9

The largest amount of increase proposed is for forest protection. Expenditures for this activity have jumped 98.1 percent since 1945-46, and combined expenditures for the two years 1946-47 and 1947-48 *will amount to an almost four-fold increase over expenditures for the 1939-41 Biennium.*

What on the other hand have been the positive results of the expanded operations and expenditures for this activity? Statistics of fires and damage from fires from 1939-1945, inclusive, indicate that the increase in expenditures for protection have made little if any improvement in fire losses. The control over fires was apparently as good or better in 1939 as it is today.

Table I indicates that the number of fires in Zones 1 and 2 in 1945 was greater than in any year since 1939 but that there is little change from year to year. In 1939 reported fires were 2,491. In 1940 this dropped to 1,887, which approximate number was maintained until 1943, when fires jumped to 2,158, declined slightly in 1944 and then rose to 2,594, a high point, in 1945.

The size of fires likewise shows little change over the seven years period, the number of small fires of one-fourth acre or less maintaining the same ratio to large fires of over 10 acres in 1945 as in 1939. In 1939, out of a total of 2,491 fires, 695 were one-fourth acre and less and 697 were over 10 acres in size. In 1945 out of a total of 2,594 fires, 765 were one-fourth acre or less and 764 were over 10 acres.

Table I—Number of Fires by Size in Zones 1 and 2

	One-fourth acre and less	Between one-fourth acre and 10 acres	Over 10 acres	Total
1939-----	695	1,099	697	2,491
1940-----	616	889	382	1,887
1941-----	555	862	440	1,857
1942-----	512	811	423	1,746
1943-----	675	917	566	2,158
1944-----	653	824	557	2,034
1945-----	765	1,065	764	2,594

Not only has the number of fires remained relatively unchanged, but the acreage burned has likewise apparently reflected in no way the increase in expenditures. Total timber burned in 1941 was 2,221 acres, in 1942 it was 2,572 acres and in 1943, 4,206 acres. *Timber acreage burned in 1944 was 26,558, or 12 times acreage in 1941. Likewise acreage burned in 1945 was approximately 16 times the acreage burned in 1941.* In 1946 however timber acreage burned dropped down to 3,525 acres. This shows the extent to which the fire hazard is determined by uncontrollable factors such as weather, and the extent to which increased expenditures have reached the point of diminishing returns. It demonstrates the fallacy of maintaining too large a force, as opposed to maintaining an adequate staff to control normal fire hazards, with sufficient reserves for emergency conditions.

The record of the Division of Forestry in preventing forest fires in no way justifies the increased rate of expenditures proposed. In view of

this record we recommend that the appropriation for Forest Protection not be increased, but be reduced from the already high level of expenditures in 1946-47.

There is evidence that the Division of Forestry has not made full use of existing facilities. For example, although an elaborate system of weather recording and reporting has been established over the State, the division admits that the information secured has not been used to any extent in alerting crews and lowering the time loss involved in getting to fires. This is despite the fact that the United States Forest Service has been using similar information effectively for years, and describes it as "the first line of defense against fire during the danger season." *Until the present expenditure for protection, which is at a rate of over 40 percent above the preceding year, is made in the most effective manner possible, it does not appear to be good economy to increase the expenditures.*

The Division of Forestry is now proposing to put fire fighting crews on a year-round basis, operating as suppression crews in the seven fire hazard months, and as work crews in the five winter months. We have not received sufficient evidence that the existing force retained find enough work to do during winter months to justify paying them. There is no justification for operating suppression crews on a 12 months' basis. In addition to its own crews the division has received material assistance from Youth Authority and Adult Authority crews, and is proposing expenditure of over a half million dollars in reimbursements for this purpose in 1947-48. These crews have been declared to be very effective in this type of work.

Proposed expenditures for 1947-48 are shown by object and expenditure in Table II, and compared with actual and estimated expenditures in 1946-47.

Table II—Proposed Expenditures for 1947-48 Compared With Estimated Expenditures in 1946-47, by Object of Expenditure

	<i>Actual and estimated 1946-47</i>	<i>Proposed 1947-48</i>	<i>Increase or decrease Amount Percent</i>	
Salaries and wages.....	\$3,115,669	\$3,810,037	\$694,368	22.3
Operating expenses	1,483,321	1,699,489	216,168	14.6
Equipment	412,850	1,243,151	830,301	201.1
Totals	\$5,011,840	\$6,752,677	\$1,740,837	34.7
Less reimbursements federal grants and from counties.....	—842,849	—920,084	—77,235	9.2
Totals	\$4,168,991	\$5,832,593	\$1,663,602	39.9

Salaries and Wages

Table II indicates that proposed salaries and wages have increased by \$694,368, or 22.3 percent over 1946-47. \$87,495 of this is for 33 proposed new positions. In addition to new positions, over \$500,000 of

increased seasonal help has been budgeted. New positions proposed are listed in Table III as follows:

Proposed New Positions

No. of Positions	Proposed new classification	Position range	Cost 1947-48
	Administration		
2	Senior Account Clerk-----	200 (10) 240	\$4,880
1	Intermediate Stenographer-Clerk -----	170 (10) 210	2,040
-	Assistant Statistician (Reclassification of one Assistant Forest Technician)-----	280 (15) 340	120
-	Supervising Account Clerk, Grade 2 (Reclassification one Supervising Ac- count Clerk, Grade I)-----	280 (15) 340	180
	Forest Protection, Field Operations		
-	Assistant Deputy, State Forester (Reclas- sification of six State Forester Rangers, Grade I) -----	325 (15) 385	1,215
6	Forest Fire Truck Driver-----	180 (10) 220	14,400
2	Janitor-Janitress (part time)-----	150 (10) 190	1,800
-	Associate Forest Ranger (Reclassification of one Assistant State Forest Ranger) --	230 (10) 270	140
-	Forest Fire Dispatcher (Reclassification of 3 Intermediate Stenographer-Clerk; 3 Intermediate Typist-Clerk; and 6 Inter- mediate Clerk) -----	190 (10) 230	200
6	Forestry Project Supervisor, Grade I-----	250 (15) 310	18,000
	Forest Management		
	Forest Practice		
1	Forest Technician -----	280 (15) 340	3,360
2	Intermediate Stenographer-Clerk -----	170 (10) 210	4,080
	Farm Forestry		
2	Forest Technician -----	280 (15) 340	6,720
4	Assistant Forest Technician-----	230 (10) 270	11,040
	State Forests		
1	Forest Technician -----	280 (15) 340	3,360
2	Assistant Forest Technician-----	230 (10) 270	5,520
	Range Improvement		
2	Assistant Forest Technician-----	230 (10) 270	5,520
	Maintenance of Improvements		
1	Electrician -----	250 (15) 310	3,000
	State Nursery		
1	Assistant Nursery Man-----	160 (10) 200	1,920
33	Totals -----		\$87,495

Until justified by demonstrated results and by a full utilization of existing facilities, we recommend against a general expansion of personnel.

The ratio of stenographic and clerical personnel to officers in Administration is already high and should not require strengthening. The requests for janitor-janitress and truck drivers should be taken care of by the present force during inactive periods. *Already the division is overstaffed with painters, carpenters and mechanics, which work should largely be done by rangers, investigators, dispatchers, and during the slack periods and waiting time between fires.*

The proposed increase in man months from 9,318 to 11,470 for work through the winter months for work on roads, trails, communication lines

and other improvements is a greater expansion than is necessary. There is too much inaction in the force during winter months under the present arrangement. The seasonal nature of forest protection is such that the proposed amount of year round employment is excessively costly for the additional results gained. We believe that the number of man months should not be increased beyond 9,318, the same as in 1946-47. This was excessive for results secured.

It is likewise not good economy to expand the state nursery. The position of Assistant Nursery Man is proposed on the basis of anticipated increased operations. A comparative statement of revenues from tree sales 1939-40 to 1945-46, however, indicates that expenditures of the nursery have uniformly been in excess of revenues from tree sales. During this six-year period expenditures exceeded revenues by \$23,827. Under these circumstances we see no reason for increasing personnel costs further. Study should be made to demonstrate if it is desirable to expand or discontinue this function.

For Forestry Management the Division of Forestry is requesting 12 new positions, and is eliminating 61 existing positions. *The 61 positions eliminated, however, will be more than offset by new positions established in Forest Protection,* where the seasonal help has been increased from 9,318 man months to 11,470, an addition of 2,152 or 179 positions on a full 12 months basis.

We recommend that the position of forest technician established in connection with the purchase of the Caspar Tract be established only after the program for the tract has been fully completed.

The positions established for Farm Forestry have not as yet been approved by the Legislature and should await such approval.

We propose a total reduction in salaries and wages of \$726,158 to \$3,083,879.

Operating Expenses

Operating expenses are budgeted to increase \$216,168, or 14.6 percent. These proposed expenditures have been based on generally expanded personnel and activities which we recommend against at this time. Increased expenditures have been budgeted for printing of pamphlets, additional travel of administrative officers, photography, maps, signs, exhibits and displays. We therefore recommend a corresponding reduction to the amount spent in 1946-47 except for additions necessary for increased Youth Authority and Department of Corrections charges.

This will permit an increase over 1946-47 to \$1,645,530, and will permit a saving of \$53,959 from the amount budgeted for 1947-48.

Equipment

Equipment expense is budgeted to increase \$830,301, or 201.1 percent, over 1946-47, and an increase of 656 percent over expenditures for equipment in 1945-46.

The Division of Forestry is engaged in a program of large scale purchases of mechanized equipment. At no time, however, has a systematic

and thorough study been made to determine the needs of the division, the best types of equipment to be secured and the ultimate program to be arrived at. By this failure the division in the past has neglected to secure large quantities of excellent war surplus equipment which it might have obtained, similar to equipment which it is now proposing to purchase new.

We recommend that the expanded program of equipment purchases be deferred until such a study is made and investigations carried out to determine the most effective long range program. We have pointed out where similar programs initiated at large expense in the past have subsequently not been utilized fully by the division. We recommend that all new additions be deleted permitting replacements as proposed, except for \$100,000 of the amount budgeted for replacement of automotive equipment for field operations, district field services. *This will reduce equipment to \$523,192, a saving of \$719,959.*

Deficiency Appropriation

The Division of Forestry is requesting a deficiency appropriation of \$122,174 for emergency fire suppression and establishment of a system of centralized purchasing and warehousing of food. *We believe this deficiency could have been secured by curtailing expenditures elsewhere in the budget.*

This deficiency appropriation, is in addition to an item of \$200,000 budgeted in 1946-47 for emergency fire suppression.

Recommendation

Based on the proposals made above, we recommend that Item 246 for \$5,832,593 be reduced by \$1,500,076, or 25.7 percent, to \$4,332,517 consisting of a reduction of \$726,158 in salaries and wages, \$53,959 in operating expenses and \$719,959 in equipment.

For Allotment to Counties for Forest Fire Prevention

Item 247, page 47, of the Budget Bill and page 736 of the Budget. Amount requested is \$424,311 for direct allotment to cooperating counties for prevention and suppression of forest fires on state responsibility lands.

Included in this amount is a new item, \$124,849 for Kern County. This amount is for protection which would otherwise have to be maintained by the State and the amounts allotted are based on the cost which the State would incur if it were using Division of Forestry personnel for this purpose. *Proposed reductions in the budgeted expenditures of the Division of Forestry should be reflected correspondingly therefore, in allotments to counties except that there has been nothing included in the latter for purchase of equipment.*

In the previous report of the Legislative Auditor it was recommended that Clarke-McNary funds be combined with funds appropriated by the Legislature so that the power to allocate Clarke-McNary funds would be taken from the Division of Forestry and legislative approvals be given to the appropriation of all funds for this purpose.

This recommendation was carried into effect by Chapter 1170 of the Laws of 1945 which places all Clarke-McNary funds into the General Fund.

Likewise the amount of assistance given to Los Angeles County has been reduced proportionately to other counties as recommended by the Legislative Auditor.

We recommend that Item 247, for \$424,311 be reduced to \$363,635, from the General Fund, to be allocated as follows:

	1947-48 fiscal year
1. Kern County	\$106,996
2. Los Angeles County	114,683
3. Marin County	26,577
4. San Mateo County	35,947
5. Santa Barbara County	39,716
6. Ventura County	39,716

For Private and State-owned Lands Within United States Forest Reserves

Item 248, page 47, of the Budget Bill and page 736 of the Budget. Amount requested is \$347,919 from the General Fund for direct allotment to the United States Department of Agriculture for forest fire protection on private and state-owned lands within boundaries of United States Forest Reserves in California. The amount budgeted for 1946-47 was \$209,000. The amount requested is an increase of \$138,919, or increase of 66.5 percent. We recommend that there be allowed an increase of 50 percent over expenditures in 1946-47, or to \$313,500. This will reduce Item 248 by \$34,419.

For White Pine Blister Rust Control Protection

Item 249, page 47, of the Budget Bill and page 736 of the Budget. Amount requested is \$125,000 from the General Fund for white pine blister rust control protection, provided that amounts spent must be matched by an equivalent amount from the Federal Government. Expenditure for 1946-47 is placed at \$75,000—the same as for 1945-46.

We recommend matching any amount that the Federal Government will spend for this purpose, which is to control blister rust hosts and in this means the fungi which threaten to destroy our most valuable pine species. The return on the investment is greater in forest values than any other expenditure made by the State for forest purposes.

For Pine Beetle Control Protection

Item 250, page 47, of the Budget Bill and page 736 of the Budget. Amount requested is \$25,000 from the General Fund for expenditure in accordance with Section 4455 of the Public Resources Code. This section provides that when an owner of timber or timberlands finds that it is infested with pine beetles or other insect pests, he shall notify the state foresters, who shall investigate, and if advisable shall establish a zone of infestation. If owners of 60 percent of the land within this district or zone apply for enforcement, notice shall be made by the State Forester to eradicate the pest.

The expenditures proposed to be borne by the division for this activity are \$30,000, with \$5,000 to be reimbursed from landowners in lieu of services making a net state expenditure of \$25,000. This is a proposed expansion in total expenditures of \$17,700 over 1946-47.

The expenditure of \$25,000 by the State for this purpose is money well spent. However, the share of the cost borne by private owners is insufficient remuneration in lieu of services. Section 4455 of the Public Resources Code places the cost of eradication of pine beetle upon the landowner. When the State performs the work the reimbursement from the owner should more nearly cover the cost to the State. The expenditure for 1946-47 was \$7,300. Results secured were satisfactory.

Recommend appropriation be approved for \$25,000 as requested.

For Emergency Fire Suppression

Item 251, page 47, of the Budget Bill, page 736, of the Budget. Appropriates \$250,000 to the Division of Forestry for emergency fire suppression to be transferred to Item 246 upon executive order of the Director of Finance. In 1946-47 \$200,000 was spent for this purpose in addition to the major part of \$122,174 requested in a deficiency appropriation.

In order that the Legislature may expressly act upon the amount considered to be sufficient for this purpose and to discourage the use of deficiency appropriations we recommend that Item 251 for \$250,000 be increased to \$500,000 and that the support appropriation of the Division of Forestry correspondingly be reduced by \$250,000 the amount of the decrease. We proposed a similar adjustment in the last Budget and then stated that expenditures for this purpose would be higher than the budgeted amount of \$200,000 and they would ask for a deficiency. We do not feel this procedure of increasing fixed charges and holding down emergency costs is good business or honest budgeting.

For Purchase of Real Property

Item 252, page 47, of the Budget Bill, page 737-38 of the Budget. Amount requested is \$43,550 from the General Fund for purchase of sites for forest protection stations, subject to the approval of the Director of Finance.

We recommend that Item 252 be reduced by \$6,228 or to \$37,322 based on proposed reduction in fire protection expenditures budgeted for 1947-48.

For Purchase of State Forests

Item 253, page 48 of the Budget Bill, and page 738 of the Budget. Amount requested is \$2,000,000 from the General Fund for the purchase of forests.

Pursuant to Chapter 146, Statutes of 1946 the State spent \$1,511,440 from the General Fund for forests. Included in this was the Caspar Tract, purchased for \$1,500,000. The Legislative Auditor questioned the advisability of the purchase of the Caspar Tract on several grounds. The first reason is that it did not carry out fully the intent of the Legislature, which emphasized that the State is to acquire cut-over lands or lands which would not be reforested or were not allowed to be reforested by private enterprise. It appears that almost \$1,200,000 of the \$1,500,000 spent for the Caspar Tract was used for the purchase of virgin timber and the land on which it stands, and that only \$300,000 is for cut-over lands and camp buildings.

In the second place, the purchase price of \$15 per acre seems to be an excessive price for this type of land, and it is extremely doubtful that anything can be profitably grown on the land at this price. A third reason is that the State will not have full control over the development of the tract, a relatively large holding being left in private hands almost in the center of the Tract, and astride the communication lines, controlling the passes which will undoubtedly comprise a future state highway.

We recommend therefore, that Item 253 be approved with the restriction that at least 75 percent of any such purchase by value shall comprise cut-over land. This will assure that the intent of the Legislature will be carried out in relation to cut-over land and reforestation.

For Construction, Division of Forestry

Item 254, page 48, of the Budget Bill, pages 739-745, inclusive, of the Budget. Amount requested \$130,481 from the General Fund for construction, improvements, repairs and equipment.

We recommend that the amount proposed be approved with the limitation that construction other than that for water, sanitary or other essential operations of the unit shall be expended only on approval of the Director of Finance, and that this appropriation shall be spent only for purchase of materials as available, the construction work to be carried out by regular personnel of the Division of Forestry. This will provide fuller employment for employees of the Division of Forestry during slack periods, and will eliminate the high labor cost factor in construction.

For Support of the Division of Mines

Item 255, page 48, of the Budget Bill and pages 747 to 749, inclusive, of the Budget. Amount requested, \$210,521 for support from the General Fund.

This represents an increase of \$66,858 or 46.5 percent over expenditures of \$143,663 for the Fiscal Year 1945-46; and an increase of \$33,870 or 19.2 percent over the amount of \$176,651 allowed for expenditure in the 1946-47 Fiscal Year.

Statistical Summary

The table below shows the distribution of increases, totaling \$33,870, by object of expenditure.

Object	1946-47	1947-48	Increase or decrease	
			Amount	Percent
Salaries and wages-----	\$108,135	\$123,630	\$24,495	22.6
Operating expenditures ---	61,264	70,354	9,090	14.8
Equipment -----	7,252	7,537	285	3.9
Total -----	\$176,651	\$210,521	\$33,870	19.2

The largest percentage increase and value increase is requested for salaries and wages which show an increase of \$24,495 or 22.6 percent. This is 72.3 percent of the total increase of \$33,870. Operating expenses show an increase of \$9,090 or 14.8 percent while requests for equipment increase \$285 or 3.9 percent.

Salaries and Wages

Requested increases of \$24,495 or 22.6 percent are due to requests for eight new positions, \$22,320, merit salary adjustments of \$1,810 and a reduction in salary savings of \$500. At the same time salaries for temporary help and overtime decreased \$135.

The eight new positions requested are listed in Table II below.

Table II

No.	Title	Salary Range	Increase	Recommendation
2	Sr. Steno-Clerks -----	200 (10) 240	\$4,800	Approved
1	Inf. Typist-Clerk -----	160 (10) 200	1,920	Approved
1	Janitor-Janitress (Part-time) -----	150 (10) 190	900	Approved
1	Asst. Mining Engineer -----	295 (15) 355	3,540	Not approved
1	Jr. Mining Engineer -----	240 (10) 280	2,880	Approved
1	Assoc. Geologist -----	365 (20) 445	4,380	Approved
1	Editor -----	325 (15) 385	3,900	Not approved
8	Total -----		\$22,320	

Editorial work of the geological division accounts for three of the new positions. The increases in salaries and wages for these positions total \$10,680; Associate Geologist, \$4,380; Editor, \$3,900; and Senior Stenographer-Clerk, \$2,400. These positions are requested as a part of the contemplated expansion in the publication of surveys and reports on technical subjects.

The Associate Geologist would also be doing field work as well as writing and editing manuscripts and *we recommend that the position of Associate Geologist be established.*

The existing position of Editorial Assistant should be reclassified to Editor and the new position of Editor be not approved. This is a reduction of \$3,000. The position of Associate Geologist is approved on the basis that editorial work will be a part of his duties.

Although the Budget shows that there are two positions of Assistant Geologist in the division, this is not so. The positions were abolished and changed to Assistant Mining Engineer. Therefore, there are now five Assistant Mining Engineers, and no Assistant Geologists. The request for the Assistant Mining Engineer no longer means anything as there are already five of these positions.

The Assistant Mining Engineer is requested for the Sacramento area and the reason for the request is the large number of gold mines in the area. *Due to high costs of operation, few gold mines are in production and therefore this position is recommended not approved, until such time as activity in this area will warrant such a position.* In addition establishing the two positions of Assistant Mining Engineer and abolishing the two Assistant Geologists makes this request meaningless.

The Junior Mining Engineer is requested for work in the Los Angeles Area where at the present time two men are now covering eleven counties. *Recommend approval.*

The janitorial assistance requested is based in an expanded office area and the fact that janitorial service has not previously been performed. *Recommend approval.*

The clerical positions remaining, one Senior Stenographer-Clerk and one Intermediate Typist-Clerk, are recommended approved. The Typist-Clerk is a transfer from the Division of Oil and Gas and will handle the switchboard work. The Senior Stenographer-Clerk will provide stenographic aid to the staff.

The recommended deletions total \$6,540.

Operating Expenses

Increases in operating expenses, as requested, total \$9,090 or 14.8 per cent, or a total of \$70,354 as compared to \$61,264 in 1946-47.

We recommend the reduction of traveling expenses by \$600 due to the disapproval of the position of Assistant Mining Engineer.

The Division of Mines expects to enlarge and rearrange its quarters which explains the increases for such items as rent, light, heat and power, and alterations and painting.

Equipment

Requested increases for equipment total \$285 or 3.9 percent over 1946-47.

Recommendations

We recommend that Item 255 be approved for the amount of \$203,377, a reduction of \$7,140 from the budget request.

The reductions recommended are as follows:

- 1. Not allow the position of Assistant Mining Engineer—a reduction of \$3,540.*
- 2. Reclassify the existing position of Editorial Assistant to Editor and not establish the new position of Editor, a reduction of \$3,000.*
- 3. Reduce operating expenses, traveling, \$600.*

Total reductions amount to \$7,140.

We further recommend that changes in classification await the approval of the Legislature and that the actual classifications of the division be reflected in the Budget.

The schedule of expenditures as amended by our recommended reductions would be as follows:

Salaries and wages	\$126,090
Operating expenses	69,750
Equipment	7,537
Total	\$203,377

For Geological Explorations in Cooperation With United States
Geological Survey Division of Mines

Item 256, pages 48, of the Budget Bill and page 749 of the Budget. Amount requested, \$50,000 for other current expenses from the General Fund.

This represents an increase of \$32,550 or 186.5 percent over expenditures of \$17,450 in the Fiscal Year 1945-46; and a decrease of \$32,549 or 39.4 percent from the amount of \$82,549 allowed for expenditure in the 1946-47 Fiscal Year.

The \$50,000 is to be spent for geological explorations in cooperation with the United States Geological Survey. The Federal Government will match this amount as their part of the cost.

Recommendation

We recommend that Item 256 be approved as submitted.

For Support of Division of Oil and Gas

Item 257, page 48, of the Budget Bill and pages 750 to 752, inclusive, of the Budget. *Amount requested, \$388,106 for support from the Oil and Gas Fund.*

This represents an increase of \$43,942 or 18 percent over expenditures of \$244,154 for the Fiscal Year 1945-46, and an increase of \$18,516 or 6.9 percent over the amount of \$269,590 allowed for expenditure in the Fiscal Year 1946-47.

Chapter 38, Statutes 1947, amended Section 3411 of the Public Resources Code and provides that assessments of the oil and gas industry shall be large enough to cover the cost of operation of the Division of Oil and Gas plus a \$50,000 surplus.

Statistical Summary

Table I, following, shows the increases as requested by object of expenditure. Salaries and wages increase \$9,070 or 4.5 percent, operating expense \$7,995 or 13.6 percent, equipment \$1,451 or 30.1 percent.

Table I—Increases by Object as Requested for 1947-48 Over 1946-47

<i>Object</i>	<i>1946-47</i>	<i>1947-48</i>	<i>Amount</i>	<i>Percent</i>
Salaries and wages-----	\$201,520	\$210,590	\$9,070	4.5
Operating expenses -----	63,257	71,252	7,995	12.6
Equipment -----	4,813	6,264	1,451	30.1
Total -----	\$269,590	\$288,106	\$18,516	6.9

Salaries and Wages

Salaries and wages increases total \$9,070 or 4.5 percent. Three new positions are requested at salaries totaling \$8,280. One of these, Senior Account Clerk, is a war emergency position to be made permanent and another, Junior Geological Draftsman, is returning from military leave. The Junior Oil and Gas Engineer is the only really new position requested. As offset one Intermediate Typist-Clerk is deleted from the established positions so that the total number of positions is increased by one, from 55 to 56. We recommend that the three positions be approved.

Operating Expenses

Operating expense increases requested total \$7,995 or 12.6 percent over 1946-47.

Operating expenses are heavy due to increases in rents, traveling, repairs and maintenance, and increased pro rata charges from various agencies.

Equipment

Equipment increases requested total \$1,451, or 30.1 percent, due to an additional automobile and the replacement of three others as well as the replacement of office equipment.

Recommendations

We recommend that Item 257 be approved as submitted.

Department of Professional and Vocational Standards

Items 258, through 281, inclusive, on pages 48 through 53 of the Budget Bill and pages 753 through 814 of the Budget. Amount requested for the 1947-48 Fiscal Year for all agencies combined, \$1,733,207, an increase of \$203,065, or 13.3 percent over estimated expenditures of \$1,530,144 for 1946-47.

The 26 agencies in this department are special fund, self-supporting agencies with the exception of the Division of Administrative Procedure which is supported from the General Fund. In the event the appropriations for any of these agencies should not be sufficient and an emergency should exist, a deficiency appropriation can be allowed by the Director of Finance with the approval of the Governor under Section 11006 of the Government Code.

An item by item analysis of the individual appropriations for the several agencies in the department follows.

Table I provides a summarization and comparative analysis of the expenditures and revenues for the 1946-47 Fiscal Year compared with the 1947-48 Fiscal Year.