

DIVISION OF ENVIRONMENTAL SANITATION

We recommend approval of the amount budgeted for the Division of Environmental Sanitation. The amount requested is an increase of 10.1 percent over 1947-48, and represents increased costs of operation due to price increases and regular salary adjustments.

DIVISION OF LOCAL HEALTH SERVICES

The amount budgeted is \$59,252, a decline of \$1,726 over 1947-48. We recommend approval for the amount required.

For Additional Support of the Department of Public Health Payable from the Public Health Fund

Item 313 of the Budget Bill and page 661 of the Budget. The amount requested is \$481,385. This request represents the amount required to cover costs of cannery inspection which is a self-supporting activity. Amounts from cannery inspection fees are paid into the Public Health Fund.

Recommendation

We recommend approval of the amount requested.

PUBLIC UTILITIES COMMISSION

For Support of the Public Utilities Commission from the General Fund

Item 314 of the Budget Bill and page 663 of the Budget. The amount requested is \$1,218,315 from the General Fund. This is an increase of \$44,922 or 3.83 percent over 1947-48.

During the years following the war this commission has expanded its staff and activities greatly, due to the growth of the State, general economic and financial prosperity, and increased requests for changes in rates due to cost and general price increases. The growth in formal filings from 880 in 1944-45 to 1700 in 1947-48, has reflected these factors. Likewise, decisions and orders issued, have increased from 985 in 1944-45 to 1800 in 1947-48.

For the first time since the war period, however, the 1948-49 Budget request of the Public Utilities Commission shows no substantial expansion. It is based on an estimated number of formal filings which remains unchanged at 1700 in 1948-49. Likewise, decisions and orders issued is projected to be 1800, while administrative workload shows only moderate increases.

There are several factors, therefore, which operate to reduce the amount of work which must be done by the commission during 1948-49. In the first place the administrative duties associated with the adding of new personnel, and organization of procedures and staff to accommodate the increase in workload should fall off. In the second place, the stabilization or fall in prices should decrease the number of requests for rate changes, and thereby also reduce the work of the commission. It is almost certain that no further price inflation is now in sight, although some costs may rise further and many adjustments have yet to be made.

The prospect for the 1948-49 Fiscal Year is that it will remain a fairly active one for the commission, and that in all probability a cut in the existing staff would be premature. For that reason we believe that the commission should be adequately financed during the 1948-49 Fiscal Year to complete the work on major projects undertaken during the current year, and to make adjustments in rates which remain out of line with increased costs.

The percentage increase in the General Fund support request is less than the projected annual increase in population of the State, and on that basis appears reasonable. The most important general factors to consider, therefore, are the prospective stabilization of prices and costs, and the fact that the growing pains incident to an expanding organization are past. The organization has expanded so rapidly that administration organization and procedures need revamping.

We recommend therefore, as a basic policy for this budget, that no general reductions or increases be made, and that positions and operating expenses be adjusted only where examination of the particular job being done warrants a change. We also recommend, however, that this agency be studied further during the 1948-49 Fiscal Year.

ADMINISTRATION

We recommend that the following proposed clerical positions be eliminated:

- 1 Senior stenographer-clerk
- 1 Intermediate stenographer-clerk
- 1 Intermediate typist-clerk
- 1 Senior account clerk
- 1 Intermediate typist-clerk

The proposed elimination of the senior stenographer-clerk is based on the contention that no added clerical staff should be needed by the assistant secretary. In his absence from the office clerical persons from adjoining offices can handle his calls. It is not necessary to employ an additional person for this duty. This is a simple management problem to solve.

The intermediate stenographer-clerk, intermediate typist-clerk, senior account clerk and intermediate typist-clerk are not justified because of the fact that no change in the basic index of workload of this agency is forecast for 1948-49. In fact the decline in rate of added employees should greatly relieve the work of the senior account clerk and intermediate typist-clerk, who are dealing with the personnel roster, pay roll data, and related matters, so that they may have a lighter load than in recent years.

Similarly, we recommend disapproval of the position of one junior clerk in the Los Angeles office, who is proposed for delivery of mail and other errands.

We recommend that operating expenses be reduced to correspond to positions which it is recommended be eliminated.

We recommend elimination of one of the two heavy automobiles requested for replacement, saving \$1,870. A pool car should be used by one of the commissioners, and further study be made of the use of automobiles by this commission.

PUBLIC UTILITIES DEPARTMENT

We recommend elimination of the following positions:

- 1 Assistant utilities engineer
- 2 Junior utilities engineer
- 1 Intermediate stenographer-clerk

Prospective workload does not justify an increase in positions.

Operating expenses and equipment should be adjusted for proposed elimination of personnel.

We recommend further that request for additional desks be deferred until renovated equipment can be supplied at greatly reduced cost by the Department of Finance.

HEARINGS AND FORMAL INVESTIGATIONS

New desks and chairs should be deferred until able to secure renovated surplus or used equipment from the Department of Finance.

We recommend that the item of library, additional, in the amount of \$2,440 be very critically reviewed.

**For Additional Support of the Public Utilities Commission from the
Transportation Rate Fund**

Item 315 of the Budget Bill and page 666 of the Budget. The amount requested is \$1,110,461 from the Transportation Rate Fund, an increase of \$33,093 over 1947-48 from the Transportation Rate Fund.

Recommendation

We recommend that Item 315 be approved as requested. The amount of work to be done, based on projects already started and on estimated workload, probably will require the amount requested.

However, it should be expected that after the 1948-49 Fiscal Year a downward adjustment in this budget is in order, and further study of the work of the commission should be made by the Department of Finance.

We recommend that replacement of desks be deferred until renovated equipment can be secured from the Department of Finance.

DEPARTMENT OF PUBLIC WORKS—DEPARTMENTAL ADMINISTRATION

Item 316 of the Budget Bill and pages 671 to 672 of the Budget. The amount requested is \$71,249 for support from the General Fund. In addition to this appropriation there is \$82,458 requested which is chargeable to the State Highway Fund for the pro rata expense for the administering of the Division of Highways. The total proposed expenditure is \$153,707. This is an increase of \$16,022, or 11.64 percent over 1947-48 expenditures of \$137,685.

The amount budgeted last year was \$49,428, supplemented by a deficiency appropriation of \$6,798 for salaries and operating expenses, making the total authorized expenditures \$56,226.

The increase proposed for 1948-49 is for five new clerical positions costing \$11,280 and increases in operating expenses and equipment for the added personnel. The added personnel is considered necessary because

of the increased activities of the Division of Architecture and the Division of Water Resources. Workload of the Departmental Administration has shown an increase of from 50 percent to 300 percent in documents handled and entries made.

Recommendation

We recommend the amount requested be approved.

DIVISION OF ARCHITECTURE

GENERAL FUND ACTIVITY

Item 317 of the Budget Bill and pages 673 to 675 of the Budget. The amount requested is \$303,493 for support from the General Fund. In addition to this appropriation there are \$20,000 estimated as reimbursements for services performed for self supporting agencies, which bring the total proposed expenditures to \$323,493. This is an increase of \$14,799 or 4.79 percent over support expenditures of \$308,694 for 1947-48.

The amount budgeted last year was \$284,145. Authorized salary increases added \$23,826, and unanticipated revenue from special funds added \$24,000 to bring the total authorized expenditure to \$331,971. Actual and estimated expenditures are \$23,277 less than authorized expenditures. This is a result of larger revenues from services to special funds than had been anticipated in the 1947-48 budget. The Legislative Auditor's report on the proposed 1947-48 budget called attention to the fact that the estimates of revenues were low. Estimates of 1948-49 reimbursements are more realistic, although still conservative.

The Division of Architecture has 86 employees. Of these there are 34 who are engaged in supervision of Public School Building Construction. This activity is supported by fees paid by school districts which are a percentage of the cost of the project.

The other 52 employees are engaged in supervision of state building construction, technical services to state agencies, and supervision of the maintenance of state buildings. This is the service which is supported by the amount requested in this item.

Recommendation

We recommend Item 317 be approved for \$302,443, a reduction of \$1,050 from the amount requested. This amount is the cost of a car which we do not recommend be replaced.

Analysis

There are no new positions requested. Major increases in operating expenses are \$15,120 for increased rent and janitor services resulting from additional office space.

We do not recommend the replacement of one of the three cars which it has been requested be replaced. E-53207, 1939 Chevrolet coupe reported to be in poor condition after having traveled 65,790 miles, at a rate of 500 miles a month as a pool car, does not justify its assignment to this Division. We recommend that the car be disposed of, and the other 10 cars in the Sacramento pool absorb the mileage which was formerly put on this car.

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