

**Department of Natural Resources  
DEPARTMENTAL ADMINISTRATION**

ITEM 181 of the Budget Bill

Budget page 608  
Budget line No. 27

**For Support of Departmental Administration From the General Fund**

Amount requested .....	\$176,588
Estimated to be expended in 1950-51 Fiscal Year .....	163,551
<b>Increase (8.0 percent) .....</b>	<b>\$13,037</b>

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$4,504	\$4,504	---	609	43
Operating expense .....	10,571	3,071	\$7,500	609	60
Equipment .....	3,045	—4,455	7,500	609	68
Less:					
Increased reimbursements from special fund divi- sions .....	—5,083	—5,083	---	610	13
<b>Total increase .....</b>	<b>\$13,037</b>	<b>—\$1,963</b>	<b>\$15,000</b>		

**RECOMMENDATIONS**

Amount budgeted .....	\$176,588
<b>Legislative Auditor's recommendation .....</b>	<b>171,588</b>
<b>Reduction .....</b>	<b>\$5,000</b>

**ANALYSIS**

The entire increase in the budget request of departmental administration for the Fiscal Year 1951-52 as compared with 1950-51 is attributable to two factors: an item in operating expenses of \$7,500 for a coordinated department-wide exhibit covering all divisions to be set up at the 1951 State Fair, and three new bookkeeping machines for the bookkeeping machine section at a cost of \$7,500.

In both instances, these items can be considered in the nature of new services since the department has not previously budgeted for an exhibit at the State Fair, and the bookkeeping machine section now has equipment in good operating order.

**Salaries and Wages**

Expenditures in this category for the 1951-52 Fiscal Year are proposed to be increased by \$4,504, or 1.5 percent, to a total of \$302,761 as against \$298,257 estimated to be expended in the 1950-51 Fiscal Year. Since no new positions are being requested, this increase is entirely attributable to normal salary adjustments. In keeping with its policy of more realistic anticipation of salary saving, the Department of Finance has indicated in this category an increase from \$2,491 in the current fiscal year to \$6,178 in the 1951-52 Fiscal Year. The increase in salary savings has had the effect of reducing substantially the total over-all increase of salaries and wages. We recommend approval of this portion of the budget as requested.

### Operating Expense

The Department of Natural Resources is proposing to increase its operating expenses by \$10,571, or 26.7 percent, from \$39,659 anticipated to be expended in the current fiscal year to \$50,230 in the 1951-52 Fiscal Year. The major single item of increase in this category is the sum of \$7,500 for a coordinated department-wide exhibit at the State Fair mentioned above. We believe that the only justification for a General Fund expenditure for an exhibit of this type lies in its ability to put before the public an important message on conservation. In this category, the only phase that requires intensive cooperation and understanding from the general public is that of forest fire prevention and control. Consequently, we can see no justification for an exhibit that deals with anything more than this phase in the Division of Forestry. Therefore, we recommend that this item be reduced by \$5,000 to a total of \$2,500 which, we believe, should be sufficient to provide a satisfactory exhibit depicting the work and problems of the Division of Forestry.

The other item of major increase in operating expenses is in the printing of conservation educational media in which an increase of \$2,000 from \$2,500 estimated to be expended in the 1950-51 Fiscal Year to \$4,500 anticipated to be expended in the 1951-52 Fiscal Year has been proposed. The balance of the items of operating expenses indicate increases largely attributable to the rise in prices of materials and services. The total recommended reduction in operating expenses is therefore \$5,000.

### Equipment

Expenditures for equipment are proposed to be increased by \$3,045, or 40.5 percent, from \$7,521 estimated to be expended in the current fiscal year to \$10,566 proposed to be expended in 1951-52. While this increase is comparatively small, actually there would have been a decrease in expenditures for equipment if it were not for the fact that the department desires to purchase three new type high speed bookkeeping machines at a total cost of \$7,500, which is part of the item of additional office equipment. It is proposed that these three machines will take the place of three machines in a group of four now used by the department. The three replaced machines are intended to be completely rehabilitated and used in another section to prepare claims, write remittance advices and maintain a vendor's ledger, and thereby speed up the operation in that section. We recommend the approval of the purchase of these three machines solely on the understanding that after the machines have been put into operation, the department will be enabled to drop one position in the bookkeeping machine section where the new machines are to go and one position in the claims section where the old machines are to be transferred. We anticipate that on this basis the \$7,500 outlay for this equipment can actually be amortized over a three-year period or less, and subsequently, the savings in the eliminated positions will accrue to the operation in general.

The budget as presented does not include the elimination of the two positions mentioned because there is no certainty that the equipment desired will be available for delivery on July 1, 1951. In fact, there is a likelihood that a considerable delay will occur which will prevent the machines from coming into operation until much later in the proposed

fiscal year. As soon as the machines become available and are installed these positions should be dropped.

**Department of Natural Resources  
STATE COOPERATION WITH PACIFIC MARINE FISHERIES COMMISSION**

ITEM 182 of the Budget Bill

Budget page 608  
Budget line No. 39

*For Support of Pacific Marine Fisheries Commission  
From the Fish and Game Preservation Fund*

Amount requested .....	\$15,100
Estimated to be expended in 1950-51 Fiscal Year .....	12,500
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Increase (20.8 percent) .....	\$2,600

**RECOMMENDATIONS**

Amount budgeted .....	\$15,100
Legislative Auditor's recommendation .....	15,100
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Reduction .....	None

**ANALYSIS**

The Pacific Marine Fisheries Commission is a body supported jointly by the States of California, Oregon and Washington for the purposes of promoting cooperation among the three states in the uses, methods, practices and conservation of marine fish resources which are common to all three states. Financial cooperation in support of this commission is based on the commercial value of the fish catch of each state. The entire contribution by all three states amounts to \$25,000, and in the 1951-52 Fiscal Year, the California catch is estimated to increase to the point where the contribution of the State of California will be at the rate of \$15,100 instead of \$12,500 as in the previous two years. We recommend the approval of this request as a sound contribution to cooperation among the three states in the field of marine fisheries.

**Department of Natural Resources  
DIVISION OF BEACHES AND PARKS**

ITEMS 183 and 184 of the Budget Bill

Budget page 617  
Budget line No. 18

*For Support of Division of Beaches and Parks From the State Park  
Maintenance Fund and General Fund*

Amount requested .....	\$2,041,116
Estimated to be expended in 1950-51 Fiscal Year .....	2,017,016
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Increase (1.2 percent) .....	\$24,100

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$44,096	\$44,096	---	617	9
Operating expense .....	13,525	13,525	---	617	10
Equipment .....	-33,021	-33,021	---	617	11
Less:					
Increased reimbursements .....	-500	-500	---	617	14
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Total increase .....	\$24,100	\$24,100	---		

**RECOMMENDATIONS**

Amount budgeted .....	\$2,041,116
Legislative Auditor's recommendation .....	1,960,676
Reduction .....	\$80,440

**ANALYSIS**

Taken as a whole the budget request of the Division of Beaches and Parks for the 1951-52 Fiscal Year indicates an attempt to "hold the line" and maintain the same level of service as prevailed in the current fiscal year. The comparatively small increase of 1.2 percent, amounting to \$24,100, from \$2,017,016 estimated to be expended in the current fiscal year to \$2,041,116 proposed to be expended in the 1951-52 Fiscal Year, is almost wholly occasioned by the proposal to add three new permanent positions of state park ranger and 4.9 man years of additional seasonal help consisting of state park rangers, beach life guards and beach attendants made necessary by the newly developed systems of riding and hiking trails in San Mateo, Marin, Los Angeles and Kern Counties and the anticipated acquisition of the Petaluma Adobe Historical Monument which is expected to occur during the current fiscal year. The additional seasonal help is required mostly in the beach areas because of anticipated increased attendance and also some increased attendance at the inland parks. Another factor in the over-all increase, while comparatively minor, is the anticipated increased cost of materials, supplies and services as reflected in operating expenses.

However, despite the comparatively small percentage of increase, we believe that it is possible and practical to reduce this budget while still providing the services made necessary by the opening of new park areas or riding and hiking trails and the anticipated increase in attendance at various beaches and parks.

**Administration**

The cost of divisional administration is proposed to be increased in the 1951-52 Fiscal Year by \$8,657 or 3.9 percent to \$231,175 from \$222,518 estimated to be expended during the current fiscal year. With the exception of very small increases in salaries and wages due to merit salary adjustments and for equipment, the bulk of the increase is attributable to additional pro rata charges for departmental administration and to other increased operating expenses as a result of anticipated price rises in the cost of materials and services.

The level of service provided is for all practical purposes the same as has been provided for the past two or three fiscal years with no additional positions being requested. However, while we do not wish to recommend any reductions in this level of service at this time, we do believe that some savings can be made in equipment. The sum of \$581 is being requested for a conference table and six side chairs for the Sacramento office. There is no actual conference room available at present in the quarters now occupied by the Division, and conferences are usually held in the director's office on the few occasions when such conferences are necessary. It is expected that the division headquarters will eventually move to the new education building when it is completed. Consequently, we recommend that the purchase of this equipment be deferred until the new quarters are occupied, at which time it can be

determined what size table is most suitable for the room provided. Two additional slide projectors and two additional portable screens amounting to \$546 are being requested for use in the larger parks where it is claimed the smaller projectors now being used are inadequate. It is intended that the smaller projectors will be moved into some of the smaller parks. We believe that this additional equipment constitutes an expansion in service at this time and is not justifiable, particularly in view of the already extremely heavy use of the largest parks such as Big Basin and Richardson Grove. Consequently, we recommend that the purchase of this equipment be not approved at this time. The total of the items thus deleted would be \$1,127.

#### Maintenance

The cost of the maintenance and operation of beaches and parks is proposed to be increased by \$12,323, or 0.8 percent, from \$1,469,040 estimated to be expended during the current fiscal year to \$1,481,363 for the 1951-52 Fiscal Year. This comparatively small increase is a reflection of a much larger increase in salaries and wages and minor increases in operating expenses which have been, to a great extent, offset by a large reduction in the cost of equipment proposed to be purchased in the 1951-52 Fiscal Year as compared with the 1950-51 Fiscal Year.

The proposed increase in salaries and wages, which amounts to \$40,756 or 3.8 percent, from \$1,083,621 estimated to be expended in the current fiscal year to the proposed amount of \$1,124,377, is half attributable to the request for three additional permanent ranger positions and 4.9 man-years of additional seasonal positions, while the balance of the increase is attributable to merit salary adjustments in the existing authorized positions. Actually, the total increase would have been still higher were it not for the fact that a more realistic anticipation of salary savings has resulted in a doubling of the estimated amount from \$15,000 in the current fiscal year to \$32,000 in the 1951-52 Fiscal Year.

The two additional park rangers, grade 2, which are requested, are justified in view of the fact that the completion of a considerable mileage of riding and hiking trails in the counties of San Mateo, Marin, Los Angeles and Kern, has made necessary some form of patrol and maintenance in order to safeguard both the State's investment in these new trails and to prevent any unauthorized or improper usage which might lead to claims against the State or result in damage or harassment to adjoining property owners, most of whom have provided easements and rights of way at no cost to the State. The request for the third permanent position of state park ranger, grade 1, is, however, based on an entirely different premise. This position is intended to be employed as a sort of caretaker if and when the Petaluma Adobe is acquired, which is scheduled for the current fiscal year. The acquisition of this piece of property will require a very considerable restoration program before it can be opened to the public. It appears most unlikely at this time that this type of construction work will be compatible with the rulings of the National Production Administration. In view of the fact that this restoration may not then be undertaken for many years, we believe that it would be inadvisable to acquire this property, and consequently, we recommend the elimination of this position at a saving of \$2,640. The additional seasonal personnel appears justifiable in view of the steadily increasing attendance at most

of the state parks and beaches. Consequently, we recommend approval of these positions.

Operating expenses are proposed to be increased by \$6,715 or 1.8 percent from \$364,732 estimated to be expended in the current fiscal year to \$371,447 anticipated to be expended in the 1951-52 Fiscal Year. Three items of expenditure in this category comprise the bulk of the increase and are substantially greater than the over-all increase, but a fourth item, which shows a large reduction, acts to partially offset the increases. Additional structures and facilities coming into use during the current fiscal year make necessary increases in the cost of repairs and maintenance of these units. The expanded system of riding and hiking trails also requires increased expenditures for maintenance, and automobile operation is expected to increase in cost, both by reason of additional mileage for additional cars being provided and for price increases. The offsetting factor occurs in the maintenance of roads and parking areas, which is estimated to cost \$30,058 in the current fiscal year and only \$15,100 in the 1951-52 Fiscal Year. This reduction is made possible by the fact that major maintenance problems will have been taken care of in the current fiscal year and are not necessarily recurring. We believe that on the whole the proper operation and maintenance of the existing park system will require the operating expenses as requested, and consequently, we recommend approval.

In the matter of equipment expenditures, the division's request shows a substantial decrease of \$34,648, or 43.5 percent, from \$79,687 estimated to be expended in the current fiscal year to \$45,039 proposed to be expended in the 1951-52 Fiscal Year. While this reduction occurs almost entirely within the two items of additional automotive equipment and additional field equipment, we believe that still further reductions are possible within these two areas. *We recommend a reduction of \$11,695 in equipment consisting of \$11,525 in additional automotive equipment and \$170 in additional field equipment.* Two tractor-mounted skip loaders are requested, one for the northwest district at \$3,600 and one for the eastern district at \$4,750. Since each of these districts now has a small track-laying type of tractor which can be adapted to a skip loader, we recommend that the division give consideration to adapting its present equipment and that the purchase of these two additional pieces of equipment be disallowed. Among other pieces of automotive equipment, the division is requesting a three-quarter ton pickup truck for each of three parks, Fort Ross, Petaluma Adobe and Tomales Bay Beach. We believe that a pickup truck is justified at Fort Ross; however, a half-ton vehicle will amply serve the needs of this very small unit, and instead of allowing \$1,500 for a pickup truck for this park, we recommend an allowance of only \$1,325 for a half-ton unit, or a saving of \$175. In view of the fact that it is most unlikely that either Petaluma Adobe or Tomales Bay Beach will be able to receive any development, we cannot see the necessity for providing pickup trucks for these units and recommend that the two trucks be disallowed at a saving of \$3,000. For the northwest district, to be used in either Van Dusen Redwood State Park, Mill Creek Redwood State Park or Edward R. Hickey State Park, the division is requesting a gasoline pump with meter and a 500-gallon underground tank costing a total of \$170. Each of these three parks has only one, or at most two pieces, of automotive equipment, and each park is reasonably close to

regular gas station facilities which the equipment passes at least once or twice a week in the course of regular business. Consequently, we recommend that these parks continue to obtain gas from public facilities and that the purchase of this equipment be deferred at a saving of \$170.

#### Engineering and Planning

For engineering and planning, the division is proposing a 1951-52 Budget which is less than a 1 percent increase over the anticipated expenditures for the current fiscal year. While this conforms with the policy of "holding the line," we believe that in this function the time has come for a further retrenchment somewhat similar to that voted by the Legislature in 1950.

In our analysis of the 1950-51 Budget, we recommended the elimination of 18 positions from this function on the basis that capital outlay expenditures for the Division of Beaches and Parks during the 1950-51 Fiscal Year would be sharply curtailed to approximately \$1,175,000, or about one-third the prior year appropriation. The fact that the Legislature ultimately approved only \$619,000 in capital outlay appears to be additional evidence that our recommended reductions could be made without injuring the effectiveness of the staff. However, the Legislature approved the elimination of only eight of the positions recommended for reduction.

At this time it appears that two major factors will influence a still further decrease in the amount of capital outlay money to be expended by this division. In the first place, the total available money for capital outlay purposes for all agencies is so small that it is inevitable that it must be allocated to those services which are most important to the State's well being, and it follows, therefore, that only those projects that are of the utmost urgency will be allowed for the Division of Beaches and Parks. Another factor is the position taken by the National Production Administration which in all probability will prevent the Division of Beaches and Parks from entering into any construction that can be considered recreational in nature. This would curtail not only capital outlay included in the 1951-52 Budget, but also remaining moneys from the current and prior years.

In view of these facts, we believe we would be again justified in recommending the elimination of the other 10 positions which were not eliminated by the 1950 Legislature. However, in view of the fact that the division wishes to undertake an extensive program of establishing the correct legal boundaries of all state parks by means of surveys, we recommend that only the five following positions be eliminated: one assistant civil engineer, two junior civil engineers and two senior engineering aids for a total savings in salaries and wages of \$16,956.

No appreciable increases are projected for the 1951-52 Fiscal Year in operating expenses and the purchase of equipment for the engineering and planning section. However, we recommend reductions in both these categories which will be compatible with our recommendation eliminating the five positions previously mentioned.

#### Acquisition

In our analysis of the budget proposed for the 1950-51 Fiscal Year, we recommended a substantial reduction in the staffing of the acquisition section of the Division of Beaches and Parks. This recommendation

was based on the belief that the acquisition program of the division should be slowed down in order to help reduce the rate of growth of the support of this division, particularly since the bulk of the support must now come from the General Fund instead of the tidelands oil royalties which are impounded by the Federal Government. We believe that our recommendation now has even greater validity because of the fact that the division, for all practical purposes, will be unable to develop new acquisitions and make them available to the public; first, because there will be a very small amount of money available for capital outlay purposes, and secondly, because the rulings of the National Production Administration will very likely prevent any development of newly acquired park areas.

In view of the foregoing, we recommend again the elimination of four state park land purchasing officers, one assistant right-of-way agent and two intermediate stenographer-clerks. In addition, we recommend that budgeting for temporary help such as expert witnesses be reduced by \$5,000 from \$15,000 to \$10,000 and for appraisers by \$15,000 from \$45,000 to \$30,000. This will result in a total salary saving of \$47,852.

The proposed budget for operating expenses and equipment in the acquisition section indicates no increases of consequence; however, we recommend that reductions be made in line with the reductions in staffing recommended above.

**Department of Natural Resources  
DIVISION OF BEACHES AND PARKS**

ITEM 185 of the Budget Bill

Budget page 617  
Budget line No. 53

*For Research, Collection of Historical and Other Data, Columbia State Park  
From the General Fund*

Amount requested .....	\$18,000
Estimated to be expended in 1950-51 Fiscal Year .....	None
Increase .....	\$18,000

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$10,000	---	\$10,000	617	48
Operating expense .....	8,000	---	8,000	617	51
Equipment .....	---	---	---		
Total increase .....	\$18,000	---	\$18,000		

**RECOMMENDATIONS**

Amount budgeted .....	\$18,000
Legislative Auditor's recommendation .....	None
Reduction .....	\$18,000

**ANALYSIS**

A request for this purpose was made in the 1950-51 Budget, but was turned down by the Legislature largely for the want of a clear cut explanation as to just how this item was to be expended and exactly what was to be accomplished.

The request for the 1951-52 Fiscal Year is \$3,000 greater than the request made last year and is intended to provide engineering assistance to measure the various buildings and foundations in order to assemble proper architectural data for reconstruction. In addition, approximately \$3,000 is intended to be expended for production of a model of the town in its ultimately reconstructed form. At this time, it appears most unlikely that the National Production Administration will sanction the expenditure of labor and materials on reconstruction work of this type. If this a valid assumption, then it follows that there can be no urgency in the collection of the engineering data necessary to reconstruction, more particularly since engineering assistance will be increasingly more difficult to recruit with the rising tempo of military production which now appears inevitable. *Consequently, we recommend that this item be again deferred at a saving of \$18,000.*

**Department of Natural Resources**  
**DIVISION OF BEACHES AND PARKS**

ITEM 186 of the Budget Bill

Budget page 617  
Budget line No. 73

*For Investigation of Beach Erosion From the State Beach Fund*

Amount requested .....	\$10,000
Estimated to be expended in 1950-51 Fiscal Year .....	10,000
Increase .....	None

**RECOMMENDATIONS**

Amount budgeted .....	\$10,000
Legislative Auditor's recommendation .....	10,000
Reduction .....	None

**ANALYSIS**

This item, which is being requested to be paid out of the State Beach Fund, was, in the current year, paid out of the General Fund on a loan basis. The money is to be expended on a contractual basis in cooperation with the United States Government on a long-range study and investigation of beach erosion, which presents a particularly difficult problem in some of the state-owned beaches. We recommend approval of this item as requested.

**Department of Natural Resources**  
**DIVISION OF FISH AND GAME**

ITEM 187 of the Budget Bill

Budget page 619  
Budget line No. 42

*For Support of Division of Fish and Game From the Fish and Game Preservation Fund*

Amount requested .....	\$5,262,089
Estimated to be expended in 1950-51 Fiscal Year .....	4,885,186
Increase (7.7 percent) .....	\$376,903

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$170,097	\$170,097	---	628	54
Operating expense	125,329	125,329	---	628	55
Equipment	88,990	88,990	---	628	56
Less:					
Increased reimbursements	—7,513	—7,513	---	628	59
<b>Total increase</b>	<b>\$376,903</b>	<b>\$376,903</b>	---		

RECOMMENDATIONS

Amount budgeted	\$5,262,089
Legislative Auditor's recommendation	5,244,691
Reduction	\$17,398

ANALYSIS

The recommended reductions in this item are summarized as follows:

Description	Amount	Budget page	Line No.
Divisional administration			
Clipping service	\$1,200	621	63
Fish conservation			
Trucks for fish feed	1,200	626	12
Game conservation			
2 Assistant game managers	6,432	627	24
1 Tractor at Suisun	5,100	627	65
2 Sedans	3,250	627	58
Reduce cost on 3 pairs binoculars	216	627	62
	<b>\$17,398</b>		

For the past three or four fiscal years, it appeared at the presentation of the Budget for each year that the unbudgeted surplus estimated to remain in the Fish and Game Preservation Fund at the end of each fiscal year was steadily declining. In other words, each budget presented a picture which seemed to indicate that expenditures would exceed revenues. Actually, the reverse appears to have been the case, since as the figures became definite and actual for each past fiscal year, they indicated that the unbudgeted surplus was higher than the estimates and was increasing rather than declining. This apparent inability to forecast a reasonably correct unbudgeted surplus appears to have been caused by two factors, overstated budgets and under-anticipated revenues. However, the tendency to overstate the budget has been gradually reduced, and we feel that in the budget proposed for the 1951-52 Fiscal Year, the tendency to overestimate has been substantially diminished.

Estimates of anticipated revenues appear to be more accurate and at this time indicate that the high point in revenues from license sales occurred during the 1949-50 Fiscal Year. Actual figures for that year show total net revenues of \$4,943,912. For both the current fiscal year and the 1951-52 Fiscal Year, estimates of net revenues run to \$4,857,115, a decline of approximately \$90,000. It is very likely that unless certain license fees are raised the estimate for the 1951-52 Fiscal Year will not be realized in view of the impending full scale national military mobilization. Since we consider the estimates of expenditures and revenues to be more accurate now than they have been in the past, the figures would indicate that a genuine decline in the unbudgeted surplus of the Fish and Game Preservation Fund is now under way. For the 1951-52 Fiscal Year,

the total estimated revenues from all sources, with the exception of federal funds, is \$5,587,700 including \$100,000 interest on investments. For the same period, the total expenditures are estimated to be \$6,465,199 for all activities except those involving federal funds. On this basis the division will be operating at a deficit of approximately \$875,000.

The increase in the expenditure budget proposed for the 1951-52 Fiscal Year can be attributed largely to the cost of operating the increased facilities provided by the \$9,000,000 Wildlife Restoration Fund. This is in line with our previous predictions that the expenditure of this \$9,000,000 fund would result inevitably in an increased support budget for the Division of Fish and Game. We would agree that the increased cost of support would be justified if the new and augmented facilities provide the increased fish and game needed to satisfy the hunters and fishermen who pay the bill. A greater volume of production at an increased efficiency is something that will have to be demonstrated within the next few years. The activities of these new facilities should be followed carefully.

#### Divisional Administration

The cost of divisional administration is proposed to be increased by \$15,265, or 3.6 percent, from \$422,395 estimated to be expended in the current fiscal year to \$437,660 in the 1951-52 Fiscal Year. This includes all objects of salaries and wages, operating expenses and equipment.

Practically the entire increase occurs in the category of operating expenses and is due partly to an anticipated increase in the costs of materials and services, partly to increased activities within the division as a result of the new or augmented facilities provided by the Wildlife Restoration Board and partly by increased pro rata costs assessed against the division by departmental administration, fiscal administration, and Personnel Board services. We recommend approval of this portion of the budget as requested.

#### Conservation Education and Public Information

The division is proposing to increase the cost of this service by \$10,207, or 9.2 percent, from \$110,594 estimated to be expended in the current fiscal year to \$120,801 in the 1951-52 Fiscal Year.

The bulk of this increase occurs in the category of operating expenses and particularly in the cost of printing. Some of this increased printing cost is due to the anticipated general rise in prices of services and partly to an expanded program of education and information which requires additional printed matter. We believe that on the whole the request is justified. However, we wish to make one exception with regard to an item in operating expenses designated as "clipping service" at \$1,200. This is an entirely new service which was not budgeted for in the current or prior fiscal years. *We recommend that this item be deleted as unnecessary at a saving of \$1,200.*

#### Patrol and Law Enforcement

This bureau, having the largest single budget of any of the bureaus in the Division of Fish and Game, is one of two, the other being the Bureau of Licenses, which shows a reduction in operating budget for the proposed 1951-52 Fiscal Year as compared with the current fiscal year. The reduction is small, amounting to \$7,648, or 0.5 percent, from

\$1,554,446 estimated to be expended in the current fiscal year to \$1,546,798 in the 1951-52 Fiscal Year.

The reduction is the result of a substantial decrease in anticipated expenditures for equipment which more than offsets increases in both salaries and wages and operating expenses.

Expenditures for salaries and wages are proposed to be increased by \$18,505, or 2.1 percent, from \$902,464 in the current fiscal year to \$920,969 in the 1951-52 Fiscal Year. Since no new positions are involved, this increase represents entirely merit salary adjustments. We recommend approval of this portion of the budget.

Operating expenses are proposed to be increased by \$21,550, or 4.2 percent, from \$518,601 in the current fiscal year to \$540,151 in 1951-52. While some of this increase is due to the anticipated rise in prices of goods and services, the bulk of it is attributable to three items of expense, airplane operation, boat operation and radio maintenance service. Airplane and boat operations show an anticipated increased cost due to increased utilization of equipment with more extensive patrol, and in the case of the airplanes, more extensive use in other bureaus which will be reimbursable. The radio maintenance service is a contract arrangement with the Division of Communications, and the amount budgeted is based on data supplied by the Division of Communications for the maintenance and service of the number of pieces of equipment owned by this particular bureau. We recommend approval of this portion of the budget as requested.

Expenditures for equipment are scheduled to be sharply decreased by \$47,703, or 35.8 percent, from \$133,381 estimated to be expended in the current fiscal year to \$85,678 in the 1951-52 Fiscal Year. All categories of equipment, both additional and replacement, show substantial reductions with the exception of additional boats which shows an increase over the current year due to the fact that the bureau contemplates the purchase of an additional 28-foot boat for patrolling Santa Monica Bay and Catalina Island waters. These waters are very heavily used by sport fishermen, and an additional boat in this particular service is justified. We recommend approval of this portion of the budget as requested.

#### Marine Fisheries

The Bureau of Marine Fisheries budget contemplates the highest percentage increase of any of the bureaus in the Division of Fish and Game. Expenditures are proposed to be increased by \$113,861, or 19.8 percent, from \$575,672 estimated for the current fiscal year to \$689,533 for the 1951-52 Fiscal Year. The over-all increase is fairly evenly divided among the three objects of salaries and wages, operating expenses and equipment.

Expenditures for salaries and wages are proposed to be increased by \$35,816, or 10.4 percent, from \$345,802 in the current fiscal year to \$381,618 in the 1951-52 Fiscal Year. Somewhat less than half of this increase is attributable to normal salary adjustments. The balance of the increase is due to the fact that five positions, which were formerly included in the budget of the Marine Research Committee and which were used to provide an additional operating crew for the big research vessel, have now been transferred to the Bureau of Marine Fisheries as permanent employees of that bureau. It is anticipated that the bulk of

the salary for these five positions will still be abated by a reimbursement from the Marine Research Committee on a contractual arrangement.

In addition to the positions mentioned, one new position of intermediate account clerk is being requested for use in the statistics section at Terminal Island. Work load figures and a growing backlog of incompleting reports indicate that this new position is probably justified. Consequently, we recommend approval of the salaries and wages portion of the Marine Fisheries budget as requested.

Operating expenses are proposed to be increased by \$41,650, or 23.6 percent, from \$176,527 estimated to be expended in the current fiscal year to \$218,177 in the 1951-52 Fiscal Year. While some of this increase is attributable to the anticipated general rise in prices of materials and services, the bulk of it is due to the increased pace of general operations in Marine Fisheries investigations that is anticipated for the 1951-52 Fiscal Year. Expenditures for printing are expected to be increased substantially in order to be able to submit to the public the results of many investigations which have been completed and should be put in printed form for general dissemination. Accelerated statistical studies, which are analyzed by the use of mechanical accounting equipment, make necessary an increase in rentals for additional IBM equipment for this purpose. As in the case of the five additional positions mentioned previously, the cost of boat operations is being increased by approximately the amount that was previously carried in the budget of the Marine Research Committee. The increase in repairs and maintenance of structures is in line with an accelerated program of fish screen and ladder work to be handled by the new Central Valley headquarters unit. The item of scientific investigation is being substantially increased in order to provide funds for special service agreements with other agencies in connection with highly specialized research projects. We recommend approval of the operating expense portion of the budget as requested.

Expenditures for the purchase of equipment are proposed to be increased by \$36,395, or 68.2 percent, from \$53,343 estimated to be expended in the current fiscal year to \$89,738 in the 1951-52 Fiscal Year. The bulk of the increase occurs in the replacement of certain boat equipment which has become worn out or obsolete such as a fathometer in the "Scofield" which was installed in 1938 and is now found to be inaccurate at depths beyond 400 fathoms. An auxiliary diesel generator is intended to be replaced on the "Yellow Fin" since the present generator has insufficient capacity to operate all the necessary equipment at full load.

Expenditures for additional boat equipment are also proposed to be substantially increased, particularly for the installation of Loran equipment on both the "Scofield" and "Yellow Fin" and radar equipment on the "Scofield." These installations will cost approximately \$16,000 or \$17,000 but are probably justified by the increased safety of operation during bad weather and by the more efficient operation during investigations since it will enable the research vessels to determine exact locations at sea. This is important in fish migration and other types of studies.

Substantial increases are also proposed for additional laboratory equipment, much of which is specialized nets and bags used for experimental fishing studies. We recommend approval of this portion of the budget as requested.

#### Fish Conservation

The Bureau of Fish Conservation is proposing to increase its expenditures by \$118,428, or 9.8 percent, from \$1,211,110 estimated to be expended in the current fiscal year to \$1,329,538 in the 1951-52 Fiscal Year. More than half of this over-all increase occurs in the category of salaries and wages with the balance of the increase divided between operating expenses and equipment.

Expenditures for salaries and wages indicate a marked increase of \$71,891, or 11.4 percent, from \$629,405 estimated to be expended in the current fiscal year to \$701,296 for the 1951-52 Fiscal Year. While some of this increase is due to various merit salary adjustments, the bulk of it is attributable to the cost of 23 new positions being proposed consisting of one assistant fisheries biologist for the biological survey, one supervising fisheries biologist and one intermediate stenographer-clerk for the headquarters staff, and 20 fish hatchery positions. The need for these additional positions is brought about by the completion and putting into service of a number of new hatcheries and expanded and modernized facilities at existing hatcheries which were provided by the Wildlife Restoration Funds allocated in prior years.

In the current fiscal year, the Bureau of Fish Conservation is operating 24 hatcheries, a fish rescue team and a fish screens and stream improvement crew with a total staff consisting of 23 foremen, 23 hatchery men and 75 hatchery assistants, a grand total of 121 employees concerned with the direct operation of the hatcheries. In the 1951-52 Fiscal Year, the bureau expects to operate 20 fish hatcheries, the Eastside Reservoir and a fish screen and stream improvement crew with a personnel consisting of 22 foremen, 26 hatchery men and 98 hatchery assistants, a total of 146 employees directly concerned with the operations of the hatchery program. This program involves the closing of eight old hatcheries, the elimination of the coast fish rescue team, the addition of four new hatcheries and the expansion of some of the existing hatcheries. The modernized facilities, the additional hatcheries and the additional personnel should result in the increased production of fish at a lower per capita cost. We recommend approval of this portion of the budget as requested. However, we point out that greater emphasis should be placed on keeping more adequate cost records to measure production results.

Operating expenses are proposed to be increased by \$22,581, or 4.2 percent, from \$535,241 estimated to be expended in the current fiscal year to \$557,822 in the 1951-52 Fiscal Year. The major items comprising this increase are for fish food and food storage, both of which are the result of the expanded hatchery facilities. Here, too, the increased use of fish food should result in an increased fish production at a lower per capita cost. Other items of operating expenses have increased to a small degree largely as a result of the anticipated general increase in cost of commodities and services. We recommend approval of this portion of the budget as requested.

Expenditures for the purchase of equipment are proposed to be substantially increased by \$28,236, or 43.7 percent, from \$64,564 estimated to be expended in the current year to \$92,800 in the 1951-52 Fiscal Year. The bulk of the increase is attributable to items of additional automotive equipment and additional operating equipment.

The additional automotive equipment consists of a number of new sedans to be used by personnel engaged in pollution control. These positions are not included in the budget since they will be set up on a contract basis as required, but the necessary equipment is being included in this budget, the cost of which will be defrayed on a rental basis. The other major items of automotive equipment consist of two tractors, a truck and a truck and trailer for transporting the tractors to be used in stream improvement work and for the removal of stream obstructions such as sand bars, snags, logs, et cetera.

The additional operating equipment consists of a number of major items which are to be used in conjunction with the expanded hatchery program. Two pieces of equipment will be pellet mills for making fish food into pellet form to be used at Crystal Lake and Mt. Shasta. The two pellet mills will cost \$7,000. Another major item is two sludge pumps to be used in pumping live fish from ponds into planting tanks which should result in the saving of a great deal of time over the present method of moving fish by hand in buckets. Another major item is the purchase of six special fish planting tanks of 550-gallon capacity at a total cost of \$3,600. The request also includes the proposal to purchase 12 stainless steel trucks similar to the type used in sausage factories for the conveyance of ground sausage meat to be used in a number of hatcheries for the preparation of fish food which would then be put into these trucks and moved into the refrigeration rooms to be held until needed. The trucks are estimated to cost \$200 each, and we doubt the justification of such an expenditure for a stainless steel type truck. We believe that a much cheaper truck can be utilized with the same efficiency in view of the fact that the prepared food is to be fed to fish rather than to human beings. *Consequently, we recommend that this item be reduced by \$1,200.* With the exception of the item just mentioned, we recommend the approval of this portion of the budget.

#### Game Conservation

Over-all expenditures for the Bureau of Game Conservation are proposed to be increased by \$130,710, or 15 percent, from \$871,445 estimated to be expended in the current year to \$1,002,155 in the 1951-52 Fiscal Year. More than half of this increase occurs in the purchases of equipment with the balance being mostly in salaries and wages. In the main the increases are the result of expanded facilities provided by Wildlife Restoration Funds and by the greatly expanded cooperative hunting area program which has more than doubled the previously available acreage to approximately 150,000 acres for this purpose.

Salaries and wages are estimated to be increased by \$41,242, or 7.4 percent, from \$557,574 anticipated to be expended in the current fiscal year to \$598,816 in the 1951-52 Fiscal Year. More than half of this increase is due to the proposal to add six additional positions, four associate game managers and two assistant game managers, plus 7.8 man years

of additional seasonal aid. The balance of the increase results from normal merit salary adjustments.

The additional seasonal aid is required in the expanded game farm program as well as the expanded cooperative hunting area program. One associate game manager will also be used in connection with the cooperative hunting area program since it is being expanded to more than twice its scope in 1949. The other three associate game managers are to be assigned to Imperial, Honey Lake, and Madeline waterfowl management areas to guide the complete development of utilization of these areas, particularly for the production of cereal crops. We doubt the necessity of adding an associate game manager to each of these waterfowl management areas in order to produce cereal crops. It would appear that increased production could be had with the existing personnel. However, we would recommend these positions on the basis that they would be continued only if the production records of these three areas proved the value of these positions. The two assistant game managers are intended to formulate management plans for the various deer herds in the State in order to prevent extensive damage of agricultural crops and natural forage. The past six or seven years of curtailed rainfall have undoubtedly caused a reduction in the natural forage for the deer herds with a consequent increase in agricultural depredations. However, it appears at this time that we are probably entering a wet portion of the weather cycle, and it may well be that increased rainfall will produce increased natural forage and thereby automatically reduce agricultural depredations. *We recommend against the establishment of these two positions until more positive evidence is available that control of depredations by deer herds makes these positions essential. The recommended disapproval of these two positions is a saving of \$6,432.* The balance of the salaries and wages portion of the Game Conservation Bureau budget is recommended for approval as requested.

Expenditures for operating expenses are proposed to be increased by \$21,572, or 6.2 percent, from \$350,271 estimated for the current fiscal year to \$371,843 for the 1951-52 Fiscal Year. Increases are partially due to anticipated price rises, but mostly due to the generally expanded program of the Bureau of Game Conservation. Traveling will be increased because of the additional positions that have been requested, as well as automobile operation. Airplane operations will be considerably expanded as it is anticipated that \$5,000 will be expended for this purpose in the proposed fiscal year as against an estimated expenditure in the current fiscal year of \$2,000. On the whole, the operating expenses are in line with increased costs and the expanded program of this bureau. We recommend approval of this portion of the budget as requested.

The Bureau of Game Management proposes greatly increased expenditures for the purchase of equipment during the 1951-52 Fiscal Year. An increase of \$71,129, or 195.5 percent, is proposed from \$36,378 estimated to be expended in the current fiscal year to \$107,507 in the 1951-52 Fiscal Year. A large part of this increase will occur in the category of automotive replacement with seven sedans, three jeeps and 24 pickups scheduled for replacement during the 1951-52 Fiscal Year. In addition, it is proposed to replace three tractors, two at the Los Banos refuge and one at Suisun. The latter tractor is being proposed for replacement largely because of the fact that it is a gasoline type and is considered

expensive to operate. *In the absence of any information indicating that this tractor is mechanically in poor shape, we recommend that its replacement be deferred at a saving of \$5,100.*

In the category of additional automotive equipment, the bureau is proposing four light sedans and two  $\frac{3}{4}$ -ton pickups. This equipment is for use with the six new positions that have been requested. Consequently, we would recommend that two of the sedans be eliminated in line with the elimination of the two positions previously recommended. *This would be a saving of \$3,250.*

Among items of additional field equipment, there is being requested three binoculars at a cost of \$140 each. We find that in the Bureau of Patrol and Enforcement binoculars are being purchased at \$68 each. *Consequently, we recommend that the Bureau of Game Conservation purchase the same type of binoculars at a saving of \$216.*

Another major item of equipment expenditures is in the purchase of additional operating equipment. Much of this equipment consists of farming machinery such as grain drills, harrows, cultivators, et cetera, together with tractors and other equipment to be used in the extensive cultivation program planned for the game farms and waterfowl refuges. Since this equipment is intended to increase the productivity of these installations, they appear to be justified. With the exceptions previously noted, we recommend approval of this portion of the budget as requested.

**Licenses**

The Bureau of Licenses is proposing a somewhat decreased budget for the 1951-52 Fiscal Year. The reduction amounts to \$3,920, or 2.8 percent less than is estimated to be expended in the 1950-51 Fiscal Year. Since the fiscal year of 1949-50, which was apparently the high point for this bureau, the expenditures have shown a steady decline from \$147,361 in 1949-50 to \$139,524 estimated for 1950-51 and \$135,604 proposed for 1951-52.

Expenditures for salaries and wages show a very slight increase due entirely to merit salary adjustments since no new positions are proposed. Operating expenditures show a decrease largely because of reduced printing requirements. Expenditures for equipment are very small and are considerably less than the amounts estimated to be expended during the current fiscal year. We recommend approval of the entire budget of the Bureau of Licenses as requested.

**Department of Natural Resources  
DIVISION OF FISH AND GAME**

ITEM 188 of the Budget Bill

Budget page 629  
Budget line No. 46

*For Game Management in Cooperation With the Federal Government Under the Pittman-Robertson Act From the Fish and Game Preservation Fund*

Amount requested .....	\$200,000
Estimated to be expended in 1950-51 Fiscal Year .....	200,000
Increase .....	None

**RECOMMENDATIONS**

Amount budgeted .....	\$200,000
Legislative Auditor's recommendation .....	200,000
Reduction .....	None

**ANALYSIS**

Game management in cooperation with the Federal Government contemplates the same level of service as in the current fiscal year, or a total expenditure of \$800,000, of which the Federal Government provides \$600,000 and the State \$200,000. The program is a continuation of that which was originally set up by the Pittman-Robertson Act.

Specific projects have not actually been determined for the 1951-52 Fiscal Year. However, past experience indicates that approximately 60 to 75 positions will be employed in the process of carrying out such projects as will be determined upon. We recommend approval of this budget as requested.

**Department of Natural Resources  
DIVISION OF FISH AND GAME**

ITEM 189 of the Budget Bill

Budget page 630  
Budget line No. 21

*For Fisheries Management in Cooperation With the Federal Government as Provided by the Dingell-Johnson Act From the Fish and Game Preservation Fund*

Amount requested .....	\$43,000
Estimated to be expended in 1950-51 Fiscal Year.....	None
Increase .....	\$43,000

**RECOMMENDATIONS**

Amount budgeted .....	\$43,000
Legislative Auditor's recommendation .....	43,000
Reduction .....	None

**ANALYSIS**

This request is to implement a new program provided by the Federal Government under the Dingell-Johnson Act, effective July 1, 1951, for fisheries management projects in practically the same manner in which game management projects are provided under the Pittman-Robertson Act.

The ratio of expenditures will be 75 percent federal money derived from an excise tax on angling equipment, and 25 percent state money. Total expenditures will be \$172,000 of which the State will pay \$43,000. No actual projects have as yet been determined upon. We recommend approval of the budget as requested.

**Department of Natural Resources  
WILDLIFE CONSERVATION BOARD**

ITEM 190 of the Budget Bill

Budget page 632  
Budget line No. 8

*For Support of Wildlife Conservation Board From the Wildlife Restoration Fund*

Amount requested .....	\$41,483
Estimated to be expended in 1950-51 Fiscal Year.....	47,362
Decrease (12.4 percent) .....	\$5,879

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$6,150	—\$6,150	---	632	41
Operating expense	—674	—674	---	632	58
Equipment	945	945	---	632	65
Total increase	—\$5,879	—\$5,879	---		

RECOMMENDATIONS

Amount budgeted	\$41,483
Legislative Auditor's recommendation	None
Reduction	\$41,483

ANALYSIS

The Wildlife Conservation Board, which was created for the specific purpose of producing an over-all plan for the betterment of wildlife and recreation in the State, and for the administration and expenditure of a \$9,000,000 fund in implementation of that plan in accordance with the Wildlife Conservation Act, has now actually worked itself out of a job. All but a very small balance of the fund has now been allocated to specific projects, and consequently, there is little valid reason for continuing this board, or more specifically, the staff employed by the board.

While the budget being requested for support of this staff in the 1951-52 Fiscal Year is reduced by \$5,879, or 12.4 percent from \$47,362 estimated to be expended in the current fiscal year to \$41,483 anticipated to be expended in the coming fiscal year, we do not believe that there is any longer sufficient work to justify the further existence of this staff. Such problems as may arise during the acquisition and construction of projects for which funds have already been allocated can very readily be resolved by the regular staff of the Division of Fish and Game. Furthermore, we wish to point out that the general rise in construction costs may make necessary the use of all the surplus, however small, now remaining in the fund, and any of this money which is withdrawn for the needless support of this staff may well cause the curtailment of some of the final projects in the program. *Consequently, we recommend that this entire request be deleted.*

Department of Natural Resources  
DIVISION OF FORESTRY

ITEM 191 of the Budget Bill

Budget page 634  
Budget line No. 46

For Support of Division of Forestry From the General Fund

Amount requested	\$7,922,923
Estimated to be expended in 1950-51 Fiscal Year	7,822,728
Increase (1.3 percent)	\$100,195

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$57,141	\$30,497	\$26,644	645	52
Operating expense	225,109	217,881	7,228	645	55
Equipment	—133,457	—137,987	4,530	645	56
Less:					
Increased reimbursements	—48,598	—48,598	---	645	59
Total increase	\$100,195	\$61,793	\$38,402		

RECOMMENDATIONS

Amount budgeted -----	\$7,922,923
Legislative Auditor's recommendation -----	7,793,462
Reduction -----	\$129,461

ANALYSIS

The budget proposed by the Division of Forestry for the 1951-52 Fiscal Year contemplates a comparatively minor increase of \$100,195, or 1.3 percent, from \$7,822,728 estimated to be expended in the current fiscal year to \$7,922,923 in 1951-52. However, it should be pointed out that the estimated expenditures for the current fiscal year exceed the appropriation made by the Legislature in the 1950 Budget Act by \$193,644, or approximately 2.5 percent. Consequently, the over-all increase for the proposed 1951-52 Fiscal Year as compared with the amount appropriated by the Legislature for the current fiscal year is \$293,839, or approximately 4 percent.

The excess of estimated expenditures over the amount appropriated for the current fiscal year was allocated from the Emergency Fund to cover, in part, price increases in commodity and equipment items; in part the increased contract cost of radio maintenance provided by the Division of Communications; in part to compensate for an anticipated deficiency in reimbursements below the amount originally estimated in the budget, and lastly, to provide a third step salary increase for fire fighters during the height of the fire season as authorized by the Personnel Board.

The increase in proposed expenditures for the 1951-52 Fiscal Year as compared with the total estimated expenditures for the current fiscal year can be attributed, for the most part, to the increased cost of contract radio maintenance by the Division of Communications, although a small part is due to the cost of a number of proposed new positions and to anticipated further increases in the cost of commodities and services and equipment. With the exception of some items which will be noted further in this analysis, the increase as a whole is justifiable.

Administration

The total proposed expenditures for the administrative function show one of the highest increases of any of the functions in the Division of Forestry. The over-all increase amounts to \$103,586, or 20.8 percent, from \$498,183 estimated to be expended in the current fiscal year to \$601,769 in the 1951-52 Fiscal Year. This unusually high increase is attributable entirely to the fact that this budget proposes to lump all radio maintenance service contract costs under the administrative function whereas in prior years the service was charged to the individual functions such as district headquarters, field services, forestry work camps, et cetera. The budget for the current fiscal year as originally approved by the 1950 Legislature was set up on the old basis; however, in the course of the current fiscal year, it was administratively determined to accumulate all charges under a single contract in divisional administration.

The proposed expenditures for salaries and wages indicate a decrease of \$15,641, or 5.6 percent, from \$277,893 estimated to be expended in the current fiscal year to \$262,252 in the 1951-52 Fiscal Year.

This reduction is more apparent than real because of the fact that it involves radio technician positions, which were still carried on the roster for the current fiscal year until the Division of Communications could take over completely the job of radio maintenance work. These were previously charged to other functions, but in line with moving the entire radio maintenance function into divisional administration, these positions were also moved over for the balance of the current fiscal year, at the end of which period they will be eliminated, and consequently, they do not show for the proposed 1951-52 Fiscal Year. The normal operating staff of the administrative function actually remains the same as it has for the past two or three years with the exception of the usual merit salary adjustments. We recommend approval of this portion of the budget as requested.

The proposed operating expenditures for the administrative function show the greatest single percentage increase in the entire Division of Forestry, being \$119,439, or 54.8 percent, from \$218,014 estimated to be expended in the current fiscal year to \$337,453 in the 1951-52 Fiscal Year. The entire increase is the result of the contract radio maintenance service provided by the Division of Communications which, in the current fiscal year, is estimated to cost \$114,300, and in the 1951-52 Fiscal Year \$251,640, an increase of \$137,340, or 120 percent for this particular service. Part of this increase has been offset by small reductions in certain other operating expenses and by the elimination of the cost of radio parts which now becomes a part of the contract service payments. It is interesting to note that for the fiscal year 1949-50, the last full year in which the Division of Forestry performed its own radio maintenance service, approximately \$80,000 was expended for this service, consisting of the salaries and wages of one supervising technician and eight senior radio technicians, and operating expenses covering parts and occasional outside services. Also, there was approximately \$13,000 expended in travel and automobile operation for the nine positions, and \$1,235 in radio shop equipment, making a grand total of approximately \$94,250. During this period, the Division of Forestry operated 1,016 pieces of radio equipment of all types, including mobile equipment, repeater stations, handy talkies, auxiliary power plants, et cetera.

The total cost of radio maintenance service provided by the Division of Communications for the 1951-52 Fiscal Year exceeds the cost for the 1949-50 Fiscal Year by approximately \$156,750, or 166 percent. During the proposed fiscal year, the division anticipates a total of 1,567 pieces of all types of radio equipment, which represents an increase of approximately 50 percent over the number of pieces of equipment available during the 1949-50 Fiscal Year. The discrepancy between the increase in cost of radio maintenance service and the increase in the number of pieces of equipment can hardly be attributed to the general upward trend of salaries and wages and the cost of parts and materials.

While we recognize some of the fundamental differences in the cost of radio maintenance as performed by the Division of Forestry and as performed by the Division of Communications, such as the fact that the Division of Forestry did not include rental for radio shop space in its cost of maintenance, whereas the Division of Communications does include such rentals, and the fact that the Division of Forestry used a much longer obsolescence period for its radio shop equipment than the

six-year period used by the Division of Communications, we nevertheless feel that the very great difference in cost between the two methods of operation cannot be fully justified. *Consequently, we recommend a reduction of \$89,059 in the cost of radio maintenance based on the following assumptions.* Using the Fiscal Year 1949-50 as a base during which period the Division of Forestry expended approximately \$94,250 for its radio maintenance service covering 1,016 pieces of radio equipment, we have increased this figure by 50 percent, or \$47,125, to cover a total of 1,567 pieces of equipment in the 1951-52 Fiscal Year. This makes a total of \$141,375. We have further augmented this by 15 percent, or \$21,206, to allow for price increases of radio parts and occasional outside service and for salary increases of technical positions. This would make a total expenditure for the 1951-52 Fiscal Year of \$162,581. The difference between this figure and the sum of \$251,640, which has been requested for the 1951-52 Fiscal Year, is the amount that we have recommended for reduction. We suggest that the amount that we have recommended for allowance should be sufficient to reimburse the Division of Communications for its service to the Division of Forestry, and if the Division of Communications finds it is unable to perform the service for this amount of money, or to fully justify the difference in cost on the basis of other savings, then the task of maintaining the equipment should be returned to the Division of Forestry.

For the purpose of equipment, divisional administration is proposing a sum which is slightly less than the amount estimated to be expended in the current fiscal year. The reduction is \$212, or 3.1 percent, from \$6,901 estimated to be expended in the current year to \$6,689 in the 1951-52 Fiscal Year. We recommend approval of this portion of the budget as requested.

#### Conservation Education

The Division of Forestry is proposing to increase the cost of the conservation education function by \$4,927, or 11.4 percent, from \$43,354 estimated to be expended in the current fiscal year to \$48,281 in the 1951-52 Fiscal Year. With the exception of a very small increase in salaries and wages to cover merit salary adjustments, the increase occurs in the category of operating expenses. Expenditures for printing are anticipated to increase both for expanded coverage and increased cost of printing work. Expenditures for photography and road signs are expected to increase to allow for additional roadside signs and an expanded coverage of trailers to be used in movie theatres.

Expenditures for the purchase of equipment remain at about the same level as the current year, showing a very small decrease of \$110. The educational value of the work performed by the Conservation Education Section can hardly be questioned. The increasing population of the State of California, and the increasing incidence of fires with the record of the past year as a fairly good evidence of that increase, indicates a continued and increasing need for effective public education and information. Consequently we recommend approval of this portion of the budget as requested.

#### Field Operations—District Headquarters

The cost of maintaining district headquarters services is proposed to be increased by \$24,508, or 5.3 percent, from \$464,535 estimated to be expended in the current fiscal year to \$489,043 in the 1951-52 Fiscal

Year. Approximately two-thirds of this increase occurs in the object of salaries and wages, the balance being distributed between operating expenses and equipment.

The increase in salaries and wages amounts to \$17,756, or 4.9 percent, of which \$12,276 is for the part salary of six proposed assistant civil engineer positions and the balance for merit salary adjustments. The six new positions are proposed to be financed half from the support budget and half from the capital outlay budget. In prior years, such positions were employed and paid for out of construction funds, and, consequently, they did not appear as authorized positions in the support budget. In our opinion, the inclusion of these positions in the regular permanent staff cannot be justified. The device of charging only half-time for these positions in the 1951-52 Budget will simply lead to a full-time inclusion in the 1952-53 Fiscal Year Budget. We believe that these positions should continue to be supported entirely from construction funds until such time as the construction program is completed. At the time of this writing, the completion of this program appears imminent since only approximately \$425,000 will be available for capital outlay in this division during the 1951-52 Fiscal Year. This capital outlay will consist of the completion of projects already started in the current fiscal year. Forestry work camp projects and suppression crew work projects, which require preliminary work of a semi-engineering nature such as running road grade, telephone lines, power lines, etc., can be handled by regular forestry personnel as it has in the past. Most of the forestry field personnel have had practical experience in construction, and many of them are entirely capable of performing the comparatively simple preliminary engineering necessary for the types of projects mentioned. *Consequently, we recommend the deletion of the six part-time assistant civil engineer positions with a reduction in this item of \$12,276, Budget page 638, line 31.*

Operating expenses are proposed to be increased by \$2,402, or 2 percent. This is from \$118,331 estimated to be expended in the current fiscal year to \$120,733 in the 1951-52 Fiscal Year. The increases are largely due to the anticipated general rise in prices of commodities and services. However, allowances for the six assistant civil engineer positions have been included in traveling and automobile operation. Consequently, we recommend that operating expenses be reduced by such amounts as are applicable to the deletion of the six positions.

Expenditures for equipment are proposed to be increased by \$4,350, or 32 percent. This is from \$13,613 estimated to be expended in the current fiscal year to \$17,963 in the 1951-52 Fiscal Year. A large part of this increase occurs in the item of automotive replacement. Another substantial item is in additional radio equipment. We believe that on the whole the equipment requested is justified, and therefore recommend that this portion of the budget be approved as requested.

#### Field Operations—Field Services

This is the only major function in the Division of Forestry in which a reduction is contemplated in the 1951-52 Fiscal Year as compared with the current fiscal year. The over-all reduction is anticipated to be \$149,873, or 3 percent. This is from \$5,032,126 estimated to be expended during the current fiscal year to \$4,882,253 in the 1951-52 Fiscal Year. The

reduction is expected to be accomplished despite the fact that additional service will be provided by installing a four-man suppression crew at Cazadero in Sonoma County and a similar crew at Loma Rica in Yuba County in order to insure fast initial attacks on fires in these critical areas. While the cost of salaries and wages and operating expenses are both scheduled to be increased, the over-all decrease is accomplished in the category of equipment in which very substantial reductions are anticipated.

The cost of salaries and wages is proposed to be increased by the nominal amount of \$29,473, or 0.7 percent. This is from \$3,959,745 estimated to be expended in the current fiscal year to \$3,989,218 in the 1951-52 Fiscal Year. Most of the increase occurs in merit salary adjustments, but part of it is for the additional four-man crews previously mentioned. This will provide service at the same level that has been provided for the past two fiscal years with the exception of the two additional stations. In view of the excellent showing which these crews made during the past highly critical fire season, we believe that the continuation of this service at this level is well justified, and approval is recommended of this portion of the budget as requested.

Operating expenses in this function are proposed to be increased by \$21,451, or 2.3 percent. This is from \$946,918 estimated to be expended in the current fiscal year to \$968,369 in the 1951-52 Fiscal Year. Practically all increases in this category are due to two factors. One is the anticipated increase in the number of pieces of automotive equipment which is being requested in this budget and the use of which will increase the cost of automobile operation. The other is a Board of Control ruling which has transferred certain items in housing supplies and services, miscellaneous small tools, and operating supplies and expenses from the equipment category to the operating expense category. We recommend approval of this portion of the budget as requested.

For the purchase of equipment, it is proposed to reduce the budget by \$158,067, or 28.5 percent. This is a decrease from \$554,895 estimated to be expended in the current fiscal year to \$396,828 in the 1951-52 Fiscal Year. This reduction is largely composed of two items, the purchase of replacement automotive equipment, which is being reduced from \$343,810 estimated for the current fiscal year to \$168,820 in the proposed year, and in the purchase of additional radio equipment, which is being reduced from \$114,394, for the current fiscal year to \$84,526 in the proposed fiscal year. These large reductions are partially offset by an increase in the purchase of additional automotive equipment, particularly heavy transport equipment intended to move tractors and bulldozers quickly from basing points to reported fires in order to increase the power of initial attack. In this particular category, the purchases are being increased from \$4,300 estimated to be expended in the current fiscal year to \$47,707 for the 1951-52 Fiscal Year. We believe that the purchase of additional automotive equipment and additional radio equipment is advisable at this time for several reasons. In the first place, the increased mobility afforded by such equipment will offset losses in efficient manpower, which will undoubtedly occur as the national military defense program increases in pace. In the second place, it is probably wise to purchase this type of equipment while it is available as increased rearmament activities will inevitably reduce the availability of such equipment in the coming years. We recommend approval of this portion of the budget as requested.

## Maintenance of Improvements

The over-all budget for this function is proposed to be increased by \$22,713, or 10 percent. This is an increase from \$227,644 estimated to be expended in the current fiscal year to \$250,357 in the 1951-52 Fiscal Year. The entire increase occurs in the category of operating expenses since no new positions are proposed for this function, and expenditures for the purchase of equipment are intended to be reduced below the current year level. The entire cost of this function is comparatively low in view of the substantial value of the various buildings and installations operated by the Division of Forestry throughout the State. This low cost is made possible by the fact that a great deal of maintenance labor is provided by fire suppression crews during standby periods.

The major increases occur in the maintenance and operation of roads and truck trails, sanitary facilities, bridges and structures and other facilities, due partly to the anticipated increased cost of materials and supplies and partly to increased facilities which were added during the current fiscal year. We recommend approval of the entire budget for maintenance of improvements as requested.

## Field Operations—Forestry Work Camps

The Division of Forestry is proposing for this function a budget increase of \$65,645, or 5 percent. This is from \$1,314,172 estimated to be expended during the current fiscal year to \$1,379,817 in the 1951-52 Fiscal Year. Two-thirds of this increase occurs in operating expenses, particularly as a result of increased payments to inmate work crews. The balance is in greatly increased expenditures for equipment and a minor amount for salaries and wages.

The increase in operating expenses amounts to \$43,373, or 3.9 percent. This is from \$1,104,387 estimated to be expended in the current fiscal year to \$1,147,760 in the 1951-52 Fiscal Year. Almost the entire increase is the result of additional payments to inmate work crews. In the current fiscal year, some of the six new California Department of Corrections (CDC) camps will have had only a short period of full scale operation, whereas in the 1951-52 Fiscal Year all camps will be on a full scale operation for the entire fiscal year. We recommend approval of the operating expenses and salaries and wages for the forestry work camps as requested.

The request for equipment expenditures is being increased by \$22,744, or 183 percent. This is an increase from \$12,419 estimated to be expended in the current fiscal year to \$35,163 in the 1951-52 Fiscal Year. This increase is almost entirely the result of two major factors, one of them being a proposal to purchase additional automotive equipment, for which purpose only \$575 is estimated to be expended in the current fiscal year as against \$5,295 in the 1951-52 Fiscal Year. This is brought about by the desire to purchase an additional two-ton, stakeside truck at Minnewawa CDC camp and at Rainbow CDC camp. Each of these camps now has two such trucks with which to handle an inmate population of 60 at each camp. It is felt that an additional truck will enable the camp management to break the men up into smaller crews than the 20-men crews now being used because of the restrictions imposed by the limited amount of equipment. We believe that this request is justified. Another factor is the desire to purchase additional radio equipment to the extent of \$17,401

as compared with no expenditures for this purpose in the current fiscal year or in the 1949-50 Fiscal Year. It is proposed to install a mobile radio in each of three vehicles at each of the CDC and California Youth Authority camps in order to provide standby communications for emergency fire calls. In view of the comparative isolation of all these camps and the fact that the crews often work at a considerable distance from the camp, we believe that this radio equipment is well justified. We recommend approval of equipment purchases as requested.

#### Forest Management

An increase in the budget for this function is being requested to the extent of \$28,677, or 21.7 percent. This is from \$132,378 estimated to be expended during the current fiscal year to \$161,045 in the 1951-52 Fiscal Year. With minor exceptions, almost the entire increase is due to the fact that four new forest technician positions are being proposed at a cost of \$16,368 in salaries and wages, plus the necessary additional operating expenses for these positions and four additional pieces of automotive equipment, four desks and four chairs for these positions.

The budget, as originally prepared by the Division of Forestry, did not make provision for any additional positions in this function. However, subsequently the State Forestry Board passed a resolution requesting that nine additional positions be added to this function in order to more adequately administer the Forest Practices Act. The board made this recommendation despite the fact that it recognized the need for holding expenditures to the current year level. As one basis for justification for these positions, the board pointed out in its resolution that the States of Washington and Oregon both had a considerably greater number of personnel performing a comparable function.

*We recommend that these four additional positions be disapproved for the following reasons.* First, we believe that these positions represent an expansion of service which cannot be justified at this time, particularly when the State is anticipating difficulty in making its income cover its essential expenditures without increasing taxes. Secondly, we do not believe that the comparison in the number of positions between the State of California and its sister Pacific Coast states is particularly sound because the forest control laws in Washington and Oregon are considerably different than California's Forest Practices Act and probably require a greater number of personnel to administer them. The elimination of these positions would result in a saving of \$16,368 in salaries, \$7,228 in equipment, and approximately \$4,530 in operating expenses.

#### Range Improvement

The budget request for range improvement work shows a rather nominal increase of \$2,766, or 3.5 percent. This is from \$78,859 estimated to be expended in the current fiscal year to \$81,625 for the 1951-52 Fiscal Year. No new positions are involved, and the over-all increase is almost entirely attributable to the proposed purchase of additional radio equipment which consists of six mobile units to be installed in range improvement vehicles in order to enable these vehicles to maintain communications with local headquarters while engaged on projects in the field. We believe that the increased purchase of radio equipment is justified.

With the exception of the increased efficiency and mobility, which will be provided by the additional radio equipment, the level of service

in range improvement work will continue at approximately the same as during the current fiscal year, and will include the special brush burning fire protection crews which were authorized by the 1949 Legislature. We recommend approval of the budget for range improvement as requested.

**State Nursery**

The cost of operating and maintaining the state nursery is proposed to be decreased by \$2,744, or 8.7 percent. This is a reduction from \$31,477 estimated to be expended during the current fiscal year to \$28,733 in the 1951-52 Fiscal Year. No new positions are involved, and minor increases in salaries and wages due to merit salary adjustments are offset by anticipated reductions in the purchase of equipment. Operating expenses are expected to continue at about the same level as the current fiscal year. We recommend approval of the state nursery budget as requested.

**Department of Natural Resources  
DIVISION OF FORESTRY**

ITEM 192 of the Budget Bill

Budget page 646  
Budget line No. 18

*For Direct Allotments to Counties for Cooperative Watershed Protection  
From the General Fund*

Amount requested -----	\$601,277
Estimated to be expended in 1950-51 Fiscal Year -----	595,066
 Increase (1 percent) -----	 \$6,211

**RECOMMENDATIONS**

Amount budgeted -----	\$601,277
Legislative Auditor's recommendation -----	601,277
 Reduction -----	 None

**ANALYSIS**

Seven counties of the State maintain and operate their own fire prevention and suppression services. In each of these counties, there is a certain amount of area which would normally be under state responsibility for fire protection purposes. The counties provide fire protection service for these areas on the basis of reimbursement by the State in amounts which are designed to be equal to the costs which would be incurred if the State Division of Forestry provided its own protection for these areas. We believe that this is an equitable arrangement, and we recommend approval of the budget as requested.

**Department of Natural Resources  
DIVISION OF FORESTRY**

ITEM 193 of the Budget Bill

Budget page 646  
Budget line No. 30

*For Allotments to United States Forest Service for Protection of Private Lands  
Within and Adjacent to National Forests From the General Fund*

Amount requested -----	\$498,222
Estimated to be expended in 1950-51 Fiscal Year -----	498,206
 Increase -----	 \$16

**RECOMMENDATIONS**

Amount budgeted .....	\$498,222
Legislative Auditor's recommendation .....	498,222
Reduction .....	None

**ANALYSIS**

The State Division of Forestry recognizes its responsibility from a fire protection standpoint for 5,750,442 acres of land which is either within national forests or immediately adjacent thereto, and the protection of which is more expediently performed by the United States Forest Service. Conversely, there are 139,785 acres of national forest lands which are more expediently protected by the State. This leaves a net of 5,610,657 acres which are protected by the United States Forest Service and for which payment is calculated on the basis of 65 percent of the U. S. Forest Service's cost for providing this protection. We recommend approval of the budget as requested.

**Department of Natural Resources  
DIVISION OF FORESTRY**

ITEM 194 of the Budget Bill

Budget page 646  
Budget line No. 46

*For Forest Land Survey in Cooperation With California Forest and Range Experiment Station of the United States Department of Agriculture From the General Fund*

Amount requested .....	\$42,000
Estimated to be expended in 1950-51 Fiscal Year .....	77,000
Decrease (45.5 percent) .....	\$35,000

**RECOMMENDATIONS**

Amount budgeted .....	\$42,000
Legislative Auditor's recommendation .....	42,000
Reduction .....	None

**ANALYSIS**

This appropriation will provide for the completion of a cooperative survey which was started in 1947. Actually, this will complete only one phase of a much larger project which may, at some future time, be requested at a cost of approximately \$450,000 over a period of four or five years. We believe that this first phase should be completed and all the information developed be made available to the public. Consequently, we recommend that this item be approved as requested.

**Department of Natural Resources  
DIVISION OF FORESTRY**

ITEM 195 of the Budget Bill

Budget page 646  
Budget line No. 59

*For Watershed Research in Cooperation With California Forest and Range Experiment Station of the United States Department of Agriculture From the General Fund*

Amount requested .....	\$24,000
Estimated to be expended in 1950-51 Fiscal Year .....	24,000
Increase .....	None

**RECOMMENDATIONS**

Amount budgeted .....	\$24,000
Legislative Auditor's recommendation .....	24,000
Reduction .....	None

**ANALYSIS**

This item represents the yearly cost to the State of California for a long-time cooperative research program carried on by the United States Department of Agriculture at its San Dimas experimental forest. Since the problem of water in the southern part of the State is still a critical one, we believe that the State should continue to cooperate in this project. Therefore, we recommend approval of this item as requested.

**Department of Natural Resources  
DIVISION OF FORESTRY**

ITEM 196 of the Budget Bill Budget page 646  
Budget line No. 72

*For White Pine Blister Rust Control From the General Fund*

Amount requested .....	\$168,437
Estimated to be expended in 1950-51 Fiscal Year .....	168,437
Increase .....	None

**RECOMMENDATIONS**

Amount budgeted .....	\$168,437
Legislative Auditor's recommendation .....	168,437
Reduction .....	None

**ANALYSIS**

This item represents the yearly cost of what is probably an indefinitely continuing control and eradication program. The United States Department of Agriculture matches the amount provided by the State, and in addition, matches in cash whatever free labor is provided by the Division of Forestry work camps. We believe this to be a very important program and one that must be continued. We recommend approval of this item as requested.

**Department of Natural Resources  
DIVISION OF FORESTRY**

ITEM 197 of the Budget Bill Budget page 647  
Budget line No. 22

*For Emergency Fire Suppression From the General Fund*

Amount requested .....	\$240,000
Estimated to be expended in 1950-51 Fiscal Year .....	475,000
Decrease (49.5 percent) .....	\$235,000

**RECOMMENDATIONS**

Amount budgeted .....	\$240,000
Legislative Auditor's recommendation .....	240,000
Reduction .....	None

**ANALYSIS**

The 1950 Legislature provided \$240,000 for this purpose. However, the unusual severity of the fire season during 1950 made necessary the allocation of an additional \$235,000 out of the Emergency Fund in order

to provide sufficient funds for contract labor and contract equipment on large campaign fires. The amount being requested for the 1951-52 Fiscal Year is the same as was previously appropriated by the Legislature, on the basis that normally the next fire season will not be as severe and that this sum will be sufficient to cover all emergencies. We recommend approval of the item as requested.

**Department of Natural Resources  
DIVISION OF FORESTRY**

ITEM 198 of the Budget Bill

Budget page 647  
Budget line No. 53

**For Support of Pine Beetle Control From the General Fund**

Amount requested .....	\$50,000
Estimated to be expended in 1950-51 Fiscal Year .....	25,000
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Increase (100 percent) .....	\$25,000

**RECOMMENDATIONS**

Amount budgeted .....	\$50,000
Legislative Auditor's recommendation .....	50,000
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Reduction .....	None

**ANALYSIS**

This item represents the yearly cost of a control and eradication problem which appears to be increasing, and an intensified program is therefore warranted. Expenditures of state funds for control and eradication on private lands are matched by cash or labor in accordance with the rules of the State Board of Forestry. We believe this service to be an extremely essential one, and we recommend that this item be approved as requested.

**Department of Natural Resources  
DIVISION OF MINES**

ITEM 199 of the Budget Bill

Budget page 648  
Budget line No. 8

**For Support of Division of Mines From the General Fund**

Amount requested .....	\$350,398
Estimated to be expended in 1950-51 Fiscal Year .....	323,285
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Increase (8.4 percent) .....	\$27,113

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$18,805	\$877	\$17,928	649	15
Operating expense .....	4,212	3,352	860	649	40
Equipment .....	4,096	125	3,971	649	53
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Total increase .....	\$27,113	\$4,354	\$22,759		

**RECOMMENDATIONS**

Amount budgeted .....	\$350,398
Legislative Auditor's recommendation .....	327,899
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Reduction .....	\$22,499

## ANALYSIS

## Salaries and Wages

The proposed budget contemplates an increase in salaries and wages of \$18,805, or 10 percent, over the sum of \$188,492 estimated to be expended for this purpose in the current fiscal year. Actually, the increase is considerably greater than that amount when normal salary increases and six proposed new positions are taken together. However, the increase is anticipated to be reduced to the above-mentioned amount by salary savings of \$9,888 in the proposed fiscal year as compared with only \$3,500 in the current fiscal year. Therefore, it may be said that the total indicated increase for salaries and wages is attributable to the six proposed new positions.

Of these six positions, that of junior clerk can be reasonably attributed to an increased work load which has been slowly increasing over several years and has now reached the point where an additional clerk is justified. However, the positions of three assistant mining geologists, one junior mining geologist and one intermediate typist-clerk are definitely aimed at new services. Two assistant and one junior mining geologist positions and one clerical position are intended to undertake an expanded program of market studies to determine the probable future needs of industry and agriculture for various minerals in coordination with the known and probable resources of the State, the latter study to be developed by additional field investigation. One assistant mining geologist position is intended for the investigation and mapping of geologic formations and mineral deposits of the Klamath Mountain area, particularly to attempt the location of new deposits of militarily strategic minerals.

With the Country about to undertake what may well be a protracted rearmament effort, it appears to be a most inopportune time to engage upon an expanded program of market studies aimed to assist normal peace-time business. Studies of a high priority nature can be made by transferring personnel from less important studies. The increased staff available for such studies is indicated by the fact that since 1946-47 the staff has increased from 29 employees to 48 in the current year. Consequently, we recommend the disapproval of these four positions. While we approve in principle the purpose of the position of assistant mining geologist to be assigned to the study of the Klamath Mountain area, as stated previously we believe that the objective can be achieved without adding personnel by diverting presently authorized geologist positions now engaged in market studies. Therefore, we also recommend the disapproval of this position. The total savings in salaries and wages which would be effected by our recommendations is \$17,928.

## Operating Expenses

In this category the Division of Mines is proposing increased expenditures of \$4,212, or 3.3 percent. This is from \$127,621 estimated to be expended in the current fiscal year to \$131,833 proposed to be expended in the 1951-52 Fiscal Year. For the most part, the increase is due to the anticipated general rise in prices of commodities and services. However, the item of printing of bulletins and maps, which shows a slight increase from \$62,000 in 1950-51 to \$64,000 in 1951-52, would actually show a very substantial decrease if it were not for one factor contained within

this item, the purchase of geologic reports and maps of quadrangles made outside of the State. In the current fiscal year, it is anticipated that \$18,188 would be expended for this purpose. In the 1951-52 Fiscal Year, it is proposed to expend \$30,000 for this purpose. Since these purchases are made from the Federal Government, and the possibility exists that the plates will be destroyed in the near future thereby preventing future additional purchases, we recommend that this expenditure be allowed in the budget.

Previously in this analysis we recommended the elimination of certain proposed new positions. Consequently, we also recommended reducing the item of traveling by \$800, which is the amount contemplated for the proposed new positions.

**Equipment**

The division is proposing to increase its expenditures for the purchase of equipment, both replacement and additional, by \$4,096; or 57.1 percent, from \$7,172 estimated to be expended for this purpose in the current fiscal year to \$11,268 proposed to be expended for this purpose in the 1951-52 Fiscal Year. Almost the entire increase occurs in two items, that of additional office equipment and additional library equipment.

Within the first item, it is being proposed that 24 metal bookcases be purchased at a cost of \$1,368 to replace obsolete and old fashioned wooden cases which, while not modern in appearance are still usable. *We recommend that the item of additional office equipment be reduced by \$1,368. We also recommend that this item be further reduced by \$834 which covers the equipment such as desks and chairs to be used in connection with the positions which we recommended be deleted.*

In the matter of the item of additional library equipment, it is proposed to expend \$3,569 for this purpose in the 1951-52 Fiscal Year as compared with \$1,455 in the current fiscal year and an average for the past four years of \$1,500 for this purpose. We recommend that this item be reduced to substantially the same average level. In view of impending price increases in books and other library equipment, we recommend that this amount be reduced to \$2,000, which should be sufficient to purchase approximately the same quantity of books or equipment as in the past four years. This would make a reduction in this item of \$1,569. The total recommended reductions in the purchases of equipment amounts to \$3,771.

**Department of Natural Resources  
DIVISION OF MINES**

ITEM 200 of the Budget Bill

Budget page 649  
Budget line No. 68

**For Support of Geological Exploration in Cooperation With U. S. Geological Survey From the General Fund**

Amount requested -----	\$35,000
Estimated to be expended in 1950-51 Fiscal Year -----	50,000
Decrease (30 percent) -----	<u>\$15,000</u>

**RECOMMENDATIONS**

Amount budgeted -----	\$35,000
Legislative Auditor's recommendation -----	<u>35,000</u>
Reduction -----	None

**ANALYSIS**

The long range program of geological survey in cooperation with the United States Government has now achieved certain goals which make it possible to reduce the amount of expenditures for this purpose. The work is done entirely by the U. S. Geological Survey with the Division of Mines contributing a pro rata share of the cost on a contractual basis. We recommend approval of this item as requested.

**Department of Natural Resources  
DIVISION OF OIL AND GAS**

ITEM 201 of the Budget Bill

Budget page 650  
Budget line No. 8

**For Support of Division of Oil and Gas From the Petroleum and Gas Fund**

Amount requested .....	\$375,439
Estimated to be expended in 1950-51 Fiscal Year .....	373,486
<b>Increase (0.5 percent) .....</b>	<b>\$1,953</b>

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$458	\$458	---	650	62
Operating expenses .....	1,783	1,783	---	651	25
Equipment .....	—288	—288	---	651	37
<b>Total increase .....</b>	<b>\$1,953</b>	<b>\$1,953</b>	<b>---</b>		

**RECOMMENDATIONS**

Amount budgeted .....	\$375,439
Legislative Auditor's recommendation .....	375,439
<b>Reduction .....</b>	<b>None</b>

**ANALYSIS**

The level of service provided by the Division of Oil and Gas has remained fairly static over the past four or five years, and projected work load figures for the 1951-52 Fiscal Year indicate very little change in the level of service for the proposed fiscal year.

Proposed expenditures for salaries and wages show only a slight increase over the current fiscal year largely as a result of the fact that normal salary increases are being offset by a substantial increase in estimated salary savings. This is in line with the fiscal policy of the Department of Finance with regard to salary savings wherein it was decided to anticipate more fully the savings which occur in this category as indicated by experience in past years.

The budget, as presented, does not indicate an organizational change which took place in July of 1950 following a determination by the Personnel Board. Up to the time of this change, each of the five districts into which the division is divided was under the supervision of a district oil and gas engineer who, in some cases, had under him one or more senior oil and gas engineers at the same salary level as that of the district engineer. Since two of the five districts carry a substantially greater work load and consequent responsibility than any of the other three, after studying the work loads involved the Personnel Board decided that the supervisors of the three smaller districts would be reclassified from

district engineer to senior engineer, both of which classifications at that time carried the same salary. The salaries of the remaining two district engineers supervising the two large districts were increased to the same level as that of the assistant chief of the division; also, the position of assistant chief was reclassified to that of district engineer so that the net result of these actions was to increase the number of senior oil and gas engineers by three, reduce the number of district engineers by two, and eliminate the title of assistant chief. We believe that this action is logical and justified by the differences in work loads involved.

Operating expenses are proposed to increase by approximately \$2,000 in the 1951-52 Fiscal Year largely because of the anticipated increase in the cost of materials and services. Equipment is proposed at approximately the same level as in the current year.

This agency has, in the past, established a good record for realistic and cautious fiscal policies, and the cost of its support is defrayed by assessments on the production of the oil and gas industry which appear to be satisfactory to that industry. It is recommended that the budget be approved as requested.

The Petroleum and Gas Fund from which this agency is supported is anticipated to enter the 1951-52 Fiscal Year with an unbudgeted surplus of approximately \$95,000 which will be reduced to \$50,000 at the end of the fiscal year in keeping with the legal requirement that a minimum surplus of \$50,000 be maintained in this fund.

**Department of Natural Resources  
SOIL CONSERVATION COMMISSION**

ITEM 202 of the Budget Bill

Budget page 652  
Budget line No. 8

**For Support of Soil Conservation Commission From the General Fund**

Amount requested .....	\$31,431
Estimated to be expended in 1950-51 Fiscal Year .....	31,695
Decrease (0.8 percent) .....	<b>\$264</b>

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$706	\$706	---	652	32
Operating expense .....	299	299	---	652	48
Equipment .....	-1,269	-1,269	---	652	55
Total increase .....	<b>-\$264</b>	<b>-\$264</b>	---		

**RECOMMENDATIONS**

Amount budgeted .....	\$31,431
Legislative Auditor's recommendation .....	31,431
Reduction .....	None

**ANALYSIS**

The Soil Conservation Commission is proposing to operate in the 1951-52 Fiscal Year at about the same level of service as is being provided in the current fiscal year. The comparatively slight decrease in over-all budget is due to the fact that very little equipment is expected

to be purchased, whereas in the current year an additional automobile had to be purchased for the additional associate soil conservationist which was allowed by the 1950 Legislature. We believe that the staff is now sufficient to take care of the needs of the Soil Conservation Commission for some years to come, and we recommend approval of the budget as requested.

The Soil Conservation Equipment Revolving Fund is not a part of the Budget Bill, nor does it receive more than a passing mention in the Governor's Budget. However, we believe that recommendations concerning this revolving fund should be made in connection with the work of this agency. This fund was established as a self-sustaining revolving fund for the purpose of providing a source of loans for equipment purchases for the various soil conservation districts in the State which could not otherwise afford to purchase equipment on the usual commercial financing basis. It was assumed that the various districts borrowing from the fund would make repayment to it on the basis of certain hourly rates for every hour that equipment was in use or on a minimum monthly basis, whichever was the greater. In this way a district would not be pressed for repayment during periods when equipment was idle, because the minimum payments are quite small.

Repayment to the revolving fund on an hourly use basis was predicated on the assumption that each hour that equipment was in use it would be earning, by working on remunerative projects, a sufficient amount to pay the hourly charge specified in the contract and to provide a fund for repairs, maintenance and overhead. Obviously, therefore, if a district did not receive enough from remunerative projects for every hour that equipment was in operation, the insufficient return would have to be reflected in insufficient maintenance and repairs since repayments to the fund were fixed by contract.

Of all the money that has been loaned out of the revolving fund to date, by far the greatest portion has been for the purchase of equipment for a Northern California equipment pool, the operation of which was delegated to the Placer County Soil Conservation District. To date approximately \$450,000 has been expended from the revolving fund to purchase equipment for this pool, and requests are in the hands of the Soil Conservation Commission for an additional \$300,000 worth of equipment. In addition to the equipment already purchased, a loan of \$25,000 had to be made to the Placer County District to cover a deficit in its operations.

An audit of the accounts of the Placer County Soil Conservation District made by the Audits Division of the Department of Finance for the period July 1, 1949, to June 30, 1950, indicates that no reserves were set up to provide for adequate maintenance and repair of the very large pool of equipment that was provided by the money previously mentioned. The failure to set up these reserves was completely contrary to contract provisions covering the purchase of this equipment.

Trips into the field made by members of the Legislative Auditor's staff have elicited evidence that there has been abuse of equipment, totally inadequate maintenance and repair of equipment, inadequate storage facilities, inadequate records of repair and maintenance work actually performed, inadequate records of inventory of parts and supplies, inadequate records of work performed by the equipment, and evidence of

some misapplication of the equipment to work which would appear to be not properly justified under a soil conservation program. We believe that this poor management will lead to a time when the physical life of much of the equipment will have been completely exhausted while the fund shall not yet have been completely reimbursed for the cost of the equipment. The net result will be an irreplaceable loss to the fund.

Therefore, we recommend that the Legislature discontinue the Soil Conservation Equipment Revolving Fund and that all outstanding loans from the fund be liquidated by the sale of the equipment, either to the districts now in possession thereof or to other interested purchasers, and that there be returned to the General Fund all balances remaining in the Revolving Fund after such liquidation. We make this recommendation in the belief that the need for or the continuation of this revolving fund has not been demonstrated by past experience.

**Department of Natural Resources  
MARINE RESEARCH COMMITTEE**

ITEM 203 of the Budget Bill

Budget page 653  
Budget line No. 8

**For Support of Marine Research Committee From the  
Fish and Game Preservation Fund**

Amount requested .....	\$140,000
Estimated to be expended in 1950-51 Fiscal Year .....	132,398
Increase (5.7 percent) .....	\$7,602

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and Wages .....				653	46
Operating expenses .....	\$7,602	\$7,602		653	61
Equipment .....				653	64
<b>Total increase .....</b>	<b>\$7,602</b>	<b>\$7,602</b>			

**RECOMMENDATIONS**

Amount budgeted .....	\$140,000
Legislative Auditor's recommendation .....	140,000
Reduction .....	None

**ANALYSIS**

The proposed budget for the Marine Research Committee, while indicating an increase of only 5.7 percent over the estimated expenditures for the current fiscal year, actually represents an increase of \$42,500, or 43.6 percent, from \$97,500, which was appropriated by the 1950 Legislature, to \$140,000 requested for the 1951-52 Fiscal Year. In the current fiscal year, the original appropriation was augmented by a deficiency authorization of \$34,898, bringing the total estimated expenditures for the current fiscal year to \$132,398.

This deficiency authorization was largely the result of a determination by the Division of Fish and Game that the Marine Research Committee should bear the expenses of providing an additional crew for a research vessel in order to enable that vessel to stay at sea for a greater part of the year than was possible with the normal crews. It is desired

to continue this practice in the proposed fiscal year, but on a somewhat different basis from an accounting standpoint. In the current fiscal year, the crew positions are being carried as personnel of the Marine Research Committee together with necessary operating expenses. In the Fiscal Year 1951-52, it is proposed to transfer these positions to the Division of Fish and Game and to have the Marine Research Committee contract with the Division of Fish and Game for the necessary services.

We approve of this method of operation as being more efficient and flexible, and consequently, we recommend approval of the budget as requested. However, we should like to point out the fact that under present legislation, support for the Marine Research Committee's activities comes from a 50 cents per ton privilege tax on sardines which will expire on September 19, 1951, unless the Legislature extends this date. In the event the Legislature fails to make this extension, these positions for the extra crew would continue in existence since they will have been integrated into the organization of the Division of Fish and Game and would then be supported from the regular funds in the Fish and Game Preservation Fund.

The basic research which is carried on by this committee involves the problem of the diminishing sardine population. To date little information of a conclusive nature has been developed. However, it now appears that some lines of investigation are beginning to bear fruit, and perhaps in the next year or two, when a complete composite picture of the life and habits of this important commercial fish will have been evolved, a workable plan for the proper use and control of this fish will be formulated.

The committee also fosters research in the possible use of other marine life for general commercial use.

We recommend that legislation be passed at the 1951 Session extending the support of this research by the privilege tax on sardines.

**Department of Professional and Vocational Standards  
DEPARTMENTAL ADMINISTRATION**

(There is no direct appropriation for support of this function since the necessary funds are obtained from assessments against the several agencies within the Department of Professional and Vocational Standards.)

ITEMS 204 to 227 of the Budget Bill

Budget page 654  
Budget line No. 8

**For Support of Departmental Administration From the  
Professional and Vocational Standards Fund**

Amount requested .....	\$83,216
Estimated to be expended in 1950-51 Fiscal Year .....	84,524
Decrease (1.5 percent) .....	\$1,308

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....				654	55
Operating expense .....	\$210	\$210		655	18
Equipment .....	—1,518	—1,518		655	24
Total increase .....	—\$1,308	—\$1,308			