

**BOARD OF HARBOR COMMISSIONERS FOR HUMBOLDT BAY**

ITEM 256 of the Budget Bill

Budget page 872  
Budget line No. 7

*For Support of Board of Harbor Commissioners for Humboldt Bay  
From the General Fund*

Amount requested .....	\$2,200
Estimated to be expended in 1953-54 Fiscal Year .....	2,200
Increase .....	None

**RECOMMENDATIONS**

Amount budgeted .....	\$2,200
Legislative Auditor's recommendation .....	None
Reduction .....	\$2,200

**ANALYSIS**

We recommend that this item be deleted from the Budget Bill.

While we do not question the desirability for governmental participation in the supervision of the activities of the harbor, we believe that this should be done at the local level, as is the case for many other harbors of the State.

In 1951 the Legislature refused to appropriate funds for support of the board. However, the act which created the board was not repealed and in subsequent years funds for support were again provided.

The functions of the board are limited in scope. The State has no proprietary interest in the harbor facilities, and the board is the only harbor board in the State supported from state funds, other than the Board of State Harbor Commissioners, San Francisco, where the State owns and operates the port facilities, and the activities are supported by revenues accruing to the board through its operations.

In view of the foregoing and in the interest of economy, we recommend that the item be deleted from the 1954 Budget Bill and the act which created the board be repealed at the 1955 Session of the Legislature.

**RECLAMATION BOARD**

ITEM 257 of the Budget Bill

Budget page 873  
Budget line No. 7

*For Support of Reclamation Board From the General Fund*

Amount requested .....	\$179,632
Estimated to be expended in 1953-54 Fiscal Year .....	194,595
Decrease (7.7 percent) .....	\$14,963

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$14,205	\$14,205	---	873	72
Operating expense .....	4,650	2,050	\$2,600	874	22
Equipment .....	-5,575	-5,575	---	874	32
Less: Increased reimbursements .....	-28,243	-28,243	---	874	35
Total increase .....	-\$14,963	-\$17,563	\$2,600	874	37

## Reclamation Board—Continued

## RECOMMENDATIONS

Amount budgeted .....	\$179,632
Legislative Auditor's recommendation .....	179,632
Reduction .....	None

## ANALYSIS

The Reclamation Board cooperates with the U. S. Engineers in the construction of flood control projects through the acquisition of rights of way for such projects; acts as the governing body for the Sacramento and San Joaquin Drainage District; approves construction on levee systems and flood channels; and fulfills such construction obligations as have been assumed by the State in its agreement with the Federal Government.

The three new positions requested by the Reclamation Board in its 1953-54 budget were proposed on the basis of indications that the Federal Bureau of the Budget intended to recommend a federal appropriation to the Sacramento River Flood Control Project of approximately \$3,500,000, instead of the \$1,000,000 appropriated during the previous few years. The request was approved by the Legislature with the reservation that the positions were to be established only if the federal appropriation of \$3,500,000 actually materialized. Subsequently, Congress appropriated \$3,800,000 for the project during the 1953-54 Fiscal Year and the three positions were established.

The Reclamation Board has requested \$179,632 for the 1954-55 Fiscal Year, which is \$14,963 less than the net estimated expenditures for the current fiscal year. This reduction is not due to any contraction of the total program of the Reclamation Board but is the result of changed accounting procedures initiated during the 1953-54 Fiscal Year under which the direct costs of right of way acquisitions are being charged to the appropriations for the various projects. Thus, the item "reimbursement of costs chargeable to capital outlay projects" appears for the first time in connection with the estimated expenditures for the 1953-54 Fiscal Year. An estimated increase in 1954-55 of \$28,243 in reimbursements over the current year enables the Reclamation Board to show a reduction in its budget request for the 1954-55 Fiscal Year.

The budget request provides for one intermediate account clerk costing \$2,844 and one junior drafting aid costing \$3,216.

When the federal appropriation for work on the Sacramento River Flood Control Project more than trebled last year, no allowance was made for additional accounting personnel in connection with the expanded program of right of way acquisition. In order to handle this added work load, it has been necessary for the accounting staff to lay aside some of the routine daily tasks, with the result that a number of agency records are not being maintained on a current basis. The backlog data that has been submitted appears to justify the intermediate account clerk position, and we recommend that it be allowed.

In justification of its request for a junior drafting aid position, the agency states that "for a number of years the Department of Finance in its annual audit report has requested that the Reclamation Board prepare and maintain a full inventory of the real property which it holds. The preparation of such an inventory was initiated some years

**Reclamation Board—Continued**

ago and the engineering staff of the board devoted such time as they had in attempting to complete it. With the increased construction program of the corps of engineers and the resulting increased demand for right of way, our engineering staff has had little time to devote to the preparation of this inventory and the inventory is less than 50 percent complete.”

Accepting the importance of an accurate property inventory, we recommend that the position be approved for one year only. At the 1955 Session the board should make a progress report on this project, and the need for continuing the position should be reviewed.

**Gas Revenue Auditing Service**

Anticipated revenues from rents and royalties on oil and gas lands are estimated at \$260,000 for 1954-55. For some time the Reclamation Board has felt that these revenues were not receiving a proper audit. At present, the staff of the State Lands Commission does the meter reading, and these reports are checked against the revenues. This procedure was reviewed recently by a representative of the Division of Audits, who indicated that a more complete and effective audit of these revenues could be accomplished through a service agreement with the State Lands Commission at an annual cost of \$2,600. It is recommended that this request be allowed for one year and that the board report upon the results of this more comprehensive audit at the end of that period.

Approval of the budget is recommended, subject to the condition that federal expenditures for the Sacramento River Flood Control Project remain approximately at the present level. Any significant reduction in the federal appropriation should make possible certain reductions in the budget of this agency.

**WATER RESOURCES BOARD**

ITEM 258 of the Budget Bill

Budget page 878  
Budget line No. 7

**For Support of Water Resources Board From the General Fund**

Amount requested .....	\$75,356
Estimated to be expended in 1953-54 Fiscal Year .....	75,330
<b>Increase .....</b>	<b>\$26</b>

**Summary of Increase**

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages .....	\$117	\$117	---	878	73
Operating expense .....	-91	-91	---	879	18
Equipment .....	---	---	---		
<b>Total increase .....</b>	<b>\$26</b>	<b>\$26</b>	<b>---</b>	<b>879</b>	<b>23</b>

**RECOMMENDATIONS**

Amount budgeted .....	\$75,356
Legislative Auditor's recommendation .....	75,356
<b>Reduction .....</b>	<b>None</b>