

Deficiency Payments—Continued

ANALYSIS

The Department of Motor Vehicles is prohibited by law from creating deficiencies. The emergency fund is available only to General Fund agencies. The Department of Motor Vehicles is supported from special funds and is not eligible to use the emergency fund. We believe this large agency should have recourse to an additional appropriation in case of unforeseen emergencies.

We recommend approval.

DEPARTMENT OF FISH AND GAME

ITEM 170 of the Budget Bill

Budget page 663
Budget line No. 50

For Support of the Department of Fish and Game From the Fish and Game Preservation Fund

Amount requested	\$6,843,097
Estimated to be expended in 1954-55 Fiscal Year	6,627,866
Increase (3.2 percent)	\$215,231

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$117,196	\$108,148	\$9,048	687	29
Operating expense	200,849	200,849	---	687	30
Equipment	33,538	33,538	---	687	31
	\$351,588	\$342,535	\$9,048		
Less:					
Increased reimbursements	—136,352	—136,352	---	687	34
Total increase	\$215,231	\$206,183	\$9,048	687	52

RECOMMENDATIONS

Amount budgeted	\$6,843,097
Legislative Auditor's recommendation	6,726,582
Reduction	\$116,515

ANALYSIS

The State Department of Fish and Game, which was established by Chapter 715 of the Statutes of 1951, having previously been a division in the State Department of Natural Resources, is responsible for the protection, conservation and propagation of desirable species of animal, bird and fish wildlife, and for the control or eradication of undesirable species, in accordance with operational and regulatory policies established by the Fish and Game Commission, and expressed in various statutes, and through the enforcement of the general fish and game laws of the State, the establishment and operation of fish hatcheries, fish screens and ladders, stream flow dams, game farms shooting grounds, habitat improvements, educational programs and et cetera. The department also conducts extensive research programs for the purpose of increasing its knowledge of its various problems, developing more efficient and economical methods of producing and propagating wildlife, and for increased and more efficient control of wildlife diseases.

Department of Fish and Game—Continued

The cost of providing all of the foregoing services is defrayed entirely from the Fish and Game Preservation Fund, which receives its revenues, in the main, from the sale of hunting and fishing licenses, but also from the sale of many other types of licenses and permits, such as deer tags, boat registrations, pheasant tags, commercial fishermen, and many others. In addition, some revenues come from the State's share of court fines and from a variety of special taxes levied particularly on fish packers and dealers.

In order to provide the services and functions mentioned above, the Department of Fish and Game is organized along decentralized lines, by which the main group of field employees is controlled and administered through five regional units, which represent a practical geographical division of the State, with each regional unit being administered by a regional manager, who has a wide latitude of authority and responsibility. Region I headquarters are located in Redding, Region II in Sacramento, Region III in San Francisco, Region IV in Fresno, and Region V in Los Angeles. In turn, the regions receive top-level over-all administrative supervision and technical guidance from a headquarters staff located in Sacramento.

The State Department of Fish and Game proposes to increase support expenditures for its operations in the 1955-56 Fiscal Year by \$215,231, or approximately 3.2 percent, from \$6,627,866 estimated to be expended in the current fiscal, to \$6,843,097 in the Budget Year. The total expenditures proposed to be made by the Department of Fish and Game in the 1955-56 Fiscal Year, from the Fish and Game Preservation Fund, including support, contribution to the Employees' Retirement Fund, expenditures for game and fisheries management in cooperation with the Federal Government, support of the Marine Research Committee and the Pacific Marine Fisheries Commission, and capital outlay, is \$7,779,036. Total revenues estimated during the same period are \$7,438,503, a deficit of approximately \$340,000. The increase in the cost for the support of the department itself is primarily the result of the continued expansion of existing facilities, or the addition of new facilities, which require $8\frac{1}{2}$ additional positions, as well as substantial additional operating expenses for the enlarged or added facilities. Of the positions mentioned, $3\frac{1}{2}$ plus temporary help are required to staff the new Nimbus hatchery in Region II which will be operated for the account of the Federal Government, with all costs being reimbursable. In addition, two clerical positions are required for Regions II and IV headquarters to help with the increased work load resulting from added or expanded facilities. Finally, two additional positions are proposed for the Sacramento headquarters staff to be used in the hunter safety program, which was inaugurated by Chapter 1662 of the Statutes of 1953. Expenditures for equipment are proposed to be increased to a small extent, primarily due to the needs of expanded or added facilities. Our analysis of expenditures follow under subheadings designating the functional subdivisions of the department.

Department of Fish and Game—Continued
Administration

The administrative unit furnishes the over-all executive direction for the Department of Fish and Game, as well as the business management and personnel services for the department as a whole. In addition, the revenue control and accounting is included in this unit. For the budget year, it is proposed to continue this unit at approximately the same level as was authorized for the current fiscal year. It is estimated that the total costs of the unit will be reduced by approximately \$7,000 from \$606,000 estimated to be expended in the current fiscal year. We recommend that the budget for this unit be approved as submitted.

Staff Operations

This function, which is part of the departmental headquarters operation, furnishes the technical direction, information and consultation services of the department. The staff consists of 37 top-level scientists, technicians, and specialists, and four clerical positions. For the budget year it is proposed to increase the cost of staff operations by \$87,834, or approximately 14.5 percent, from \$605,509 estimated to be expended in the current fiscal year, to \$693,343. Since no additional positions are involved, the increase is almost wholly in the category of operating expenses and, primarily, for increased purchases of fish foods, which are controlled by the Sacramento headquarters for all hatcheries throughout the State, and therefore accountability is charged to the staff operations function. The increase in fish food is from \$351,469 in the current fiscal year, to \$427,247 in the budget year, or approximately \$76,000. This is an indication of the expanding of the fish hatcheries, and may be considered an anticipation of additional fish production. Equipment purchases are proposed to be increased by \$11,403, primarily because of the need to replace a number of automotive vehicles, and the purchase of an additional airplane at \$4,000. We recommend that the budget for staff operations be approved as submitted.

Conservation Education

This function, which is also part of the departmental headquarters operation, endeavors to promote fish and wild life conservation, good and safe practices in hunting and fishing, an understanding of the value of the wild life resource to the State's economy through various educational and informational programs and media, such as movie films, pamphlets, periodicals, bulletins, and talks before sportsmen's and educational groups. In the budget year it is proposed to increase the cost of this function by \$8,808, or approximately 6 percent from \$147,749 estimated to be expended in the current fiscal year, to \$156,557, primarily for the purpose of providing two new positions to implement the hunter safety program, which was inaugurated by Chapter 1662 of the Statutes of 1953. These positions are a hunter safety officer, at an annual starting salary of \$6,060, and an intermediate stenographer-clerk, at an annual starting salary of \$2,988, a total of \$9,048 for salaries and wages alone. The duties of the hunter safety officer are apparently to provide in-service training in methods of

Department of Fish and Game—Continued

imparting hunting safety practices and information, to potential licensees under the age of 16. Presumably, this in-service training is to be given to the fish and game patrol officers.

We would like to point out that before Chapter 1662 was passed by the Legislature, it was represented that the giving of courses of instruction in the safe handling of firearms and the issuing of certificates of competency would be handled by private organizations such as the National Rifleman's Association. Furthermore, we would point out that the fish and game patrol and warden classes are presumably qualified by training, experience and background in the safe handling of firearms. It should be possible to provide these employees of the Department of Fish and Game, and others who might be qualified, with comparatively simple printed teaching aids for their assistance in imparting the necessary information to prospective licensees. Consequently, we feel that these two positions are an unwarranted and unnecessary embellishment of the program. *Therefore, we recommend that these positions be deleted at a salary savings of \$9,048, plus operating expenses and equipment, which were budgeted for them.* The balance of the conservation education program appears to be essentially at the same level as was authorized for the current fiscal year. Consequently, we recommend approval of the budget for conservation education, with the exceptions noted above.

Marine Fisheries

The marine fisheries branch, which operates independently of the regional organization, is primarily concerned with research in the life habits and environmental conditions of Pacific Ocean fish. As a secondary function, it compiles and maintains extensive statistics on the catches of various types of fish in the commercial fishing industry. The main headquarters of this function is at Terminal Island in Los Angeles County, where certain laboratory facilities are provided. Additional research facilities are provided in several other locations along the California coast. The marine fisheries branch also maintains four research vessels, two of which are ocean going, the *Yellowfin*, measuring 120 feet, and the *N. B. Scofield*, measuring 110 feet. The other two are the *Nautilus*, measuring 46 feet, and the *Mollusk*, measuring 26 feet. Much of the research undertaken by this branch is carried on in close cooperation with the U. S. Wildlife Service, the Scripps Institute of Oceanography, and the fish and wild life services of the neighboring states to the north of California, as well as Canada and Mexico.

For the budget year, it is proposed to maintain this particular service at essentially the same level that was authorized for the current fiscal year. Slight increases in salaries and wages, due to merit salary adjustments, and operating expenses are completely offset by reductions in anticipated expenditures for equipment and increases in reimbursements for services rendered to Federal Government and private industry. The over-all cost is reduced approximately \$600. We recommend that the budget of the marine fisheries branch be approved as submitted.

Department of Fish and Game—Continued**Regional Operations—Headquarters**

The Governor's Budget reports the operations of the regional organization on a region by region basis, with each region broken down into the four subfunctions of headquarters, inland fisheries, game management, and wild life protection. In order to show the state-wide costs of each of the four subfunctions, which we believe will give a clearer picture of the operating practices and costs of the field organization of the department, we have set forth our analysis on the basis of the four subfunctions, each headed in the manner immediately above, which indicates that this portion will deal with the analysis of the headquarters functions of the five regions as a unit.

The headquarters function for each of the regions provides the overall regional administration, business and accounting service, as well as supervision of fisheries management, game management and wild life protection. For the budget year, it is proposed to increase the cost of the regional headquarters function by \$8,543, or approximately 1.7 percent from \$500,544 estimated to be expended in the current fiscal year, to \$509,087.

This increase is primarily the result of the proposal to add an intermediate typist-clerk at Region II, and another one in Region IV. These positions are based on increased work loads at these two regions arising from expanded facilities such as the Nimbus Hatchery, the San Joaquin and Moccasin Creek Hatcheries, and the new Mendota waterfowl area. The positions appear justified on the basis of work load. We point out that the cost of the headquarters function represents approximately 10.9 percent of the total cost of all functions in all regions, which amounts to \$4,661,424. This compares favorably with 11 percent in the current fiscal year. Consequently, we recommend approval of the budgets as submitted for the regional headquarters functions.

Regional Organization—Inland Fisheries

The inland fisheries function includes the maintenance and operation of fish hatcheries, the planting of fingerlings and larger fish as required, the improvement of environmental conditions in fishable streams, and research and investigation in fish life habits, diseases and environmental conditions. For the budget year it is proposed to increase the cost of the inland fisheries operation by \$62,965, or approximately 5.3 percent from \$1,185,192 estimated to be expended in the current fiscal year, to \$1,248,157. The actual gross increase is greater than shown above, due to the fact that Region II will undertake the operation of the Nimbus Hatchery for the Federal Government on a reimbursable basis. Three and one-half permanent positions, plus temporary help are scheduled for this hatchery, and all costs will be recovered to the extent of approximately \$105,000 for 1955-56. The balance of the increase is based on additional help in Region IV for the expanded facilities at the San Joaquin and Moccasin Creek Hatcheries. Also, merit salary adjustments have an appreciable effect, since the over-all authorized staff is substantial in size. We also point out that operating expenses are increased in one category particularly, maintenance and operation of structures, because in the past many of these costs were taken care of by minor capital outlay projects. General maintenance projects have

Department of Fish and Game—Continued

now been removed entirely from minor capital outlay and have been given their rightful place in the operations budget. In view of the foregoing, we recommend approval of the budget for inland fisheries as submitted.

Regional Organization—Game Management

The Game Management Branch is responsible for the operation of game bird farms, water fowl refuges, public and cooperative shooting grounds, investigation and control of game depredations, control of predators, habitat improvement, research and investigation in the life habits and diseases of game birds and animals, and the collection and maintenance of statistical data on the movements and volumes of game animals, and the hunter "take" of game birds and animals. For the budget year, it is proposed to increase the cost of this branch by \$28,626, or approximately 2.6 percent, from \$1,091,676 estimated to be expended in the current fiscal year, to \$1,120,302.

In addition to normal merit salary adjustments, this increase is the result of the proposal to add four positions in Region IV to staff the new Mendota water fowl area, plus the necessary operating expenses for the new area. Also, as mentioned in the inland fisheries section, the cost of all maintenance projects have been removed from minor capital outlay and included in regular operating expense. We recommend approval of the budget for the game management branch as submitted.

Regional Organization—Wildlife Protection

The wildlife protection branch is in effect the policing organization of the Department of Fish and Game. It is responsible for the protection of the State's wildlife resources against depredation by unlicensed hunters and fishermen against "takes" in excess of established limits, or "takes" out of established season, or "takes" of sexes, ages or types of fish or game birds and animals which are forbidden by regulation or law. It also protects the resource against the use of illegal methods, gear or weapons. In the course of its service, this branch makes use of diverse methods of transportation such as passenger car, jeep, truck, horse, canoe, small boat, and even airplanes. This branch is also charged with protection and enforcement duties in connection with the marine fisheries branch, for which it uses a number of fast patrol boats, some being as large as 63 feet in length.

For the 1955-56 Fiscal Year, it is proposed to continue the wildlife protection service at approximately the same level that was authorized for the current fiscal year. However, the cost of the service is anticipated to be increased by \$24,702, or approximately 1.4 percent, which is due partially to merit salary adjustments, but primarily to the increased cost of operation, particularly of patrol boats and radio equipment. We recommend approval of the budget for wildlife protection, as submitted.

General Comments

In prior analyses we pointed out that certain operating costs appeared to be excessive. These were long distance telephone charges, travel both in and out of the State, and the cost of automobile operation. We recommended that intensive study be made of these costs by

Department of Fish and Game—Continued

both the Department of Fish and Game and the Department of Finance. The following table shows these costs for the entire department on an actual expenditure basis for the 1953-54 Fiscal Year, and an estimated basis for the 1954-55 and 1955-56 Fiscal Years. It will be noted that apparently the only change that has occurred in these costs in the three-year period is one of continued increase.

	1953-54	1954-55	1955-56
Long distance charges -----	33,332	35,841	36,351
Travel in State -----	327,451	351,790	356,755
Travel out of State -----	9,007	9,490	10,661
Automobile operation -----	440,215	466,809	485,890

As in prior years, we have had the opportunity to scrutinize intensively the requests for equipment during the formation of the budget, in conjunction with the Department of Fish and Game and the Department of Finance. We believe that the requests for new and replacement equipment, as now presented, are justified. However, we point out that included in the requests for equipment is the sum of \$107,467 for the acquisition of four additional and 85 replacement automotive vehicles.

In line with a policy recommendation by this office, affecting all automotive units, both additional and replacement, it is recommended that:

1. Funds for these items be deleted from the agency support budgets.
2. The Department of Finance request an augmentation of their budget to enable them to procure sufficient vehicles and to provide the agency with necessary transportation services through a fleet management program in the automotive management section.
3. The Department of Finance make necessary revisions in the support budgets of the agencies to delete direct related automotive operating expenses and provide an offset item for automobile mileage to permit the agency to reimburse the Department of Finance on a mileage basis for the fleet service.

Financing Problem

At the beginning of this analysis it was pointed out that the total costs of all phases of the operation of the Department of Fish and Game for the 1955-56 Fiscal Year represented a deficit of approximately \$340,000. For the current fiscal year the deficit is estimated at approximately \$491,000, and for the 1953-54 Fiscal Year it was actually \$201,000. The accumulated surplus available in the Fish and Game Preservation Fund on July 1, 1955, is estimated to be \$4,880,329. It may be seen then that at the present rate of deficit the surplus could last for more than 10 years. However, we do not believe that it is proper or desirable for this department to continue operating on a deficit basis. While an increase in license fees might be one method of avoiding a yearly deficit, we do not believe that such a step is necessary. Instead, we would call attention to the fact that agents' commissions on the sale of licenses for the 1953-54 Fiscal Year total \$308,287, the current fiscal year totaled \$328,000, and the budget year is projected at \$349,000. We do not believe that the sales of licenses by the Department of Fish and Game would suffer any appreciable setback through the refusal of agents to continue handling such sales if the Fish and Game Code were changed

Department of Fish and Game—Continued

to eliminate the payment of commissions. It seems likely that in the vast majority of cases the service rendered by agents in selling these licenses represents to them a form of "leader," and the comparatively small individual commissions earned by agents can hardly be of substantial moment in the operation of their respective businesses. Consequently, we recommend that the Fish and Game Code be suitably amended. This change would actually eliminate the present yearly deficit.

Department of Fish and Game

**GAME MANAGEMENT IN COOPERATION WITH THE FEDERAL GOVERNMENT
AS PROVIDED BY THE PITTMAN-ROBERTSON ACT**

ITEM 171 of the Budget Bill Budget page 688
Budget line No. 22

For Support of Game Management in Cooperation With the Federal Government as Provided by the Pittman-Robertson Act From the Fish and Game Preservation Fund

Amount requested	\$254,071
Estimated to be expended in 1954-55 Fiscal Year	227,451
<hr/>	
Increase (11.7 percent)	\$26,620

RECOMMENDATIONS

Amount budgeted	\$254,071
Legislative Auditor's recommendation	254,071
<hr/>	
Reduction	None

ANALYSIS

This item provides the State's share of a program of game management conducted by the Department of Fish and Game. The Federal Government bears 75 percent of the cost under the provisions of the Pittman-Robertson Act. The program consists of the management of waterfowl areas and deer ranges, as well as conducting studies and investigations concerning food habits, effect of brush removal on game ranges, wildlife diseases, big game, and the effects of economic poisons on wildlife.

It is proposed to increase the scope of the program in the 1955-56 Fiscal Year, since a larger federal allocation is available.

We recommend approval.

Department of Fish and Game

**FISHERIES MANAGEMENT IN COOPERATION WITH THE FEDERAL GOVERNMENT
AS PROVIDED BY THE DINGLE-JOHNSON ACT**

ITEM 172 of the Budget Bill Budget page 694
Budget line No. 31

For Support of Fisheries Management in Cooperation With the Federal Government, as Provided by the Dingle-Johnson Act, From the Fish and Game Preservation Fund

Amount requested	\$95,842
Estimated to be expended in 1954-55 Fiscal Year	84,477
<hr/>	
Increase (13.5 percent)	\$11,365

Fisheries Management—Continued

RECOMMENDATIONS

Amount budgeted	\$95,842
Legislative Auditor's recommendation	95,842
<hr/>	
Reduction	None

ANALYSIS

The State Department of Fish and Game carries on a program of fisheries management in cooperation with the Federal Government. The State's share is 25 percent, as is the case for game management, which was described in the analysis of the previous item.

The Dingle-Johnson Act provides the federal authority to finance 75 percent of this program from federal funds.

The program includes such projects as stream and lake improvement and studies concerning various fish and their management.

The federal allotment for the 1955-56 Fiscal Year has been increased over the current year. Therefore, the department proposes to increase the scope of the program which will require an increase of \$11,365 in the State's share.

We recommend approval of this item as submitted.

Department of Fish and Game

PACIFIC MARINE FISHERIES COMMISSION

ITEM 173 of the Budget Bill

Budget page 698
Budget line No. 46

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

Amount requested	\$17,600
Estimated to be expended in 1954-55 Fiscal Year	16,500
<hr/>	
Increase (6.7 percent)	\$1,100

RECOMMENDATIONS

Amount budgeted	\$17,600
Legislative Auditor's recommendation	17,600
<hr/>	
Reduction	None

ANALYSIS

The Pacific Marine Fisheries Commission is made up of the States of California, Oregon and Washington. The operating budget of the commission is shared proportionately based on the estimated value of the anticipated catch of each state for the year.

The commission's function is to provide consistency in the methods used in the operation of marine fisheries of the member states, as well as to strive to conserve marine resources.

While there is a slight increase proposed, we feel that this is an important program. We recommend approval of this item as submitted.

**Department of Fish and Game
MARINE RESEARCH COMMITTEE**

ITEM 174 of the Budget Bill

Budget page 701
Budget line No. 7

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

Amount requested	\$73,790
Estimated to be expended in 1954-55 Fiscal Year	87,495
<hr/>	
Decrease (15.7 percent)	\$13,705

RECOMMENDATIONS

Amount budgeted	\$73,790
Legislative Auditor's recommendation	73,790
<hr/>	
Reduction	None

ANALYSIS

The function of the Marine Research Committee is to determine a program of research and allocate funds to contracting agencies to carry out the work.

The funds for the Marine Research Committee have been obtained from a privilege tax of 5 cents per 100 pounds on sardines, Pacific mackerel, jack mackerel, squid, herring and anchovies. The tax expires December 31, 1955, so that revenue will be less during the 1955-56 Fiscal Year than it has been during the current year. The amount requested in the proposed year will necessitate the use of most of the accumulated surplus now available.

We feel that this program is important to California's commercial fisheries. Consequently, we recommend approval as requested.

**Department of Natural Resources
DIVISION OF ADMINISTRATION**

ITEM 175 of the Budget Bill

Budget page 704
Budget line No. 37

For Support of Division of Administration From the General Fund

Amount requested	\$272,558
Estimated to be expended in 1954-55 Fiscal Year	262,227
<hr/>	
Increase (3.9 percent)	\$10,331

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$8,845	\$1,735	\$6,060	706	14
Operating expense	3,615	2,805	810	706	35
Equipment	2,289	2,289	---	706	44
<hr/>					
	\$14,749	\$7,879	\$6,870	706	46
Reimbursements	-4,418	-4,418	---	706	57
<hr/>					
Total increase	\$10,331	\$3,461	\$6,870	706	59

RECOMMENDATIONS

Amount budgeted	\$272,558
Legislative Auditor's recommendation	264,478
<hr/>	
Reduction	\$8,080

Division of Administration—Continued
ANALYSIS

The primary function of the Division of Administration of the Department of Natural Resources is to provide fiscal and personnel control for all of the operating divisions comprising the department. In addition, general over-all policy and operational supervision is provided by the director of the department and his top-level staff. The cost of this service is partially reimbursed by those divisions of the department which are supported from special funds. For the current fiscal year, this reimbursement is estimated at \$111,517, and for the proposed fiscal year, it is projected at \$115,935.

The budget proposed for administration in the 1955-56 Fiscal Year is \$10,331 greater than the amount estimated as to be expended during the current fiscal year. This increase is primarily to cover the cost of one new position of senior accountant at a starting salary of \$6,060 annually. The new position is being proposed for two major reasons: First, it is to be employed in making audits of the accounts of concessionaires in the Division of Beaches and Parks in order to determine whether the State is receiving its fair share of concession income; and second, to undertake systems studies in an attempt to simplify accounting and other record-keeping procedures, with a view to reducing the over-all volume of work. While these aims are desirable, we would like to point out that audits of concessionaires' accounts can be accomplished by certified public accountants at the expense of the concessionaires, simply by requesting that concessionaires provide such certified audits.

In proposing this position, the Division of Administration has made statements to the effect that systems studies and subsequent improvements in procedures, may accomplish a saving of as much as 10 man-years of effort. We agree that such studies are desirable and that they will accomplish savings. However, we suggest that since such savings are indicated that the items for temporary help and overtime be reduced by an amount equivalent to the salary of the new position, plus the \$700 of traveling expense, which is included for the position. This would make a reduction of \$6,760.

The operating expenses of the division are proposed at approximately the same level as the current fiscal year, with minor increases or decreases, with one exception, in which the cost of general printing is proposed to be increased from \$6,617 estimated for the current fiscal year, to \$9,023 for the 1955-56 Fiscal Year. We find that this increase results primarily from the proposal to print 50,000 units of property record cards, each unit of which consists of six copies. The cost for these is \$44 per 1,000. We would like to point out that the last purchase of property record cards was made in the 1953-54 Fiscal Year and consisted of only 10,000 units. We can see no reason for purchasing more than 20,000 units at this time. Consequently, we recommend that the printing item be reduced by \$1,320.

The total of the foregoing recommended reduction is \$8,080.

**Department of Natural Resources
EXHIBIT AT STATE FAIR**

ITEM 176 of the Budget Bill

Budget page 704
Budget line No. 58

For Support of Exhibit at State Fair From the Fair and Exposition Fund

Amount requested	\$3,400
Estimated to be expended in 1954-55 Fiscal Year	3,400
<hr/>	
Increase	None

RECOMMENDATIONS

Amount budgeted	\$3,400
Legislative Auditor's recommendation	3,400
<hr/>	
Reduction	None

ANALYSIS

The cost of an exhibit for the Department of Natural Resources at the California State Fair has been fairly well standardized at \$5,000 annually. The Special Fund divisions of the Department of Natural Resources contribute \$1,600 toward this exhibit, and the balance of \$3,400 is proposed to be paid from the Fair and Exposition Fund. We recommend approval of this item as submitted.

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

ITEMS 177, 178, 179 of the Budget Bill

Budget page 708, 709
Budget lines No. 55, 24, 31

For Support of Division of Beaches and Parks From the State Park, State Park Maintenance, State Beach Funds

Amount requested	\$3,020,963
Estimated to be expended in 1954-55 Fiscal Year	2,684,000
<hr/>	
Increase (12.6 percent)	\$336,963

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$164,557	\$164,557	---	714	36
Operating expense	90,354	90,354	---	714	37
Equipment	85,552	85,552	---	714	38
<hr/>		\$340,463	\$340,463	714	40
Increased reimbursements	-3,500	-3,500	---	714	42
<hr/>		\$336,963	\$336,963	714	46

RECOMMENDATIONS

Amount budgeted	\$3,020,963
Legislative Auditor's recommendation	3,006,653
<hr/>	
Reduction	\$14,310

ANALYSIS

The State of California owns and operates a system of recreational parks, beaches and historical monuments consisting of 94 units spread throughout the State. With the exception of 19 units, all are staffed by specialized personnel who operate the units for the benefit of the visit-

Division of Beaches and Parks—Continued

ing public, and expend considerable effort during the off-season in maintenance of the facilities. In addition, the State owns approximately 49 beach and park areas which are operated by local governmental jurisdictions on a lease arrangement. It is contemplated that during the 1955-56 Fiscal Year five of these areas will be returned to full state operation, in accordance with an announced policy of the Park Commission.

The State Park Commission, consisting of five members appointed by the Governor to serve without compensation, with the exception of reimbursement for expenses incurred in attending meetings and carrying out other duties, is charged with the over-all policy formulation under which this outstanding system of parks shall be operated. These policies are carried out by the State Division of Beaches and Parks, which functions as staff to the State Park Commission.

For the past five years, total attendance at all state parks, beaches and monuments has been growing at a fairly steady rate of approximately 10 percent per year, from a total attendance of 6,608,000 in 1950 to 9,850,000 in 1954. Individual units in the system have grown in attendance at a considerably greater rate. For instance, Cuyamaca Rancho has been growing at an average rate of almost 40 percent annually, from 132,000 in 1950 to 444,000 in 1954. Turlock Lake has grown from 34,000 in 1950 to 155,000 in 1954. Richardson Grove has grown from 315,000 in 1950 to 452,000 in 1954.

The Division of Beaches and Parks is proposing that its budget be increased by \$336,963, or approximately 12½ percent from \$2,684,000 estimated to be expended in the current fiscal year, to \$3,020,963 in the 1955-56 Fiscal Year. Approximately half of the increase is attributable to salaries and wages based on the need for new positions to carry the increasing work load at all the parks, and the balance is due to increases in operating expenses and equipment needed to care for the constantly increasing use of the park system. The Division of Beaches and Parks is divided into four functional sections, each of which is discussed separately in the following text.

Administration

This section provides the top level administrative and operational supervision for the entire park system in accordance with the policies established by the State Park Commission. The section also provides limited personnel and fiscal services. The conservation education and historical units are also part of this section. The over-all cost of the administrative section is proposed to be increased by \$20,038, or approximately 5.6 percent from \$357,200 estimated to be expended during the current fiscal year, to \$377,238 in the 1955-56 Fiscal Year. This increase is occasioned primarily by increases in operating expenses, particularly in rent for additional office space, moving and alteration costs, and various pro rata administrative charges based on the fact that the Division of Beaches and Parks is a special fund operation.

Two additional positions are proposed, one an accounting officer, grade II, at an annual starting salary of \$4,980, and one a state park naturalist, at an annual starting salary of \$5,496. Actually, the additional position of state park naturalist has been filled on an emergency basis for two years, due partly to the fact that the one authorized state

Division of Beaches and Parks—Continued

park naturalist position was vacated for a considerable period and the fact that a backlog of work was developing. While the backlog has been alleviated to some extent, the over-all work load in the education unit, which services all the parks with educational material and ideas, has built up to a point where it appears that two full-time positions are justified. Consequently, we recommend that the additional state park naturalist should be allowed.

The constantly growing work load in the headquarters office, occasioned by increasing park attendance, acquisition of new park areas, increased personnel problems, and many accounting details incident to the operation of this large park system, has now reached the point where additional assistance to the administrative service officer is justified. However, we would like to point out that the administration section has a position of administrative assistant, grade I, which functions presumably as an assistant to the chief of the division, who is also assisted by a deputy chief. In making comparisons with the Division of Forestry, which is much larger, we find that the chief State Forester, who functions at approximately the same level as the chief of the Division of Beaches and Parks, has no administrative assistant, and is apparently able to function adequately without one. *Consequently, we recommend that the existing position of administrative assistant, grade I, be eliminated and that the new position of accounting officer, grade II, be allowed. This would result in a reduction of \$6,060 in salaries and wages.* With the foregoing adjustment, we recommend approval of the budget of the administration section as submitted.

Maintenance and Operation

The maintenance and operation section of the Division of Beaches and Parks is basically the field force which operates the individual parks on a year-round basis. For purposes of more efficient operation, the field force is decentralized into six regions on a practical geographic basis. Each region is under the control of a ranger, grade V, also known as the superintendent of the region, who has a fairly wide latitude of authority in problems relating to the immediate operation of the various parks within his region. Each region has a headquarters installation which comprises some office space and corporation yard facilities located within one of the parks in the region, usually a very central one.

The cost of the maintenance and operation function is proposed to be increased by \$318,134, or approximately 15.8 percent from \$2,007,608 estimated to be expended in the current fiscal year, to \$2,325,742 in the 1955-56 Fiscal Year. Approximately half of this increase is in salaries and wages based on the need to provide 25 additional full-time positions and 9½ man-year equivalents of seasonal positions, to compensate for expanding attendance and expanding facilities at certain state parks and beaches, and to permit the staffing of several recently acquired areas, which will probably be open to the public for the first time in the summer of 1955, following the completion of initial facilities to take care of public needs. The positions appear to be directly based on work loads, and consequently we recommend that they be approved.

Operating expenses are appreciably increased due to the needs of the additional positions, as well as the requirements of the additional struc-

Division of Beaches and Parks—Continued

tural facilities, roads, trails and other developments that have been added in the course of the current fiscal year. One new type of expenditure is worthy of attention. The sum of \$32,666 is included in the operating expenses for reimbursement of payments to inmate work crews whose labor will be available to the division for the first time during the 1955-56 Fiscal Year. This is based on the establishment of a new forestry honor camp in Humboldt County, which will be under the control of the Division of Forestry. Approximately one-half of the total potential effort of this camp will be used for various projects in parks in the redwood area. Two of the new positions, a state park ranger, grade II, and a state park ranger, grade I, will be employed almost full time in studying the various projects to be accomplished, and providing over-all guidance. Proposed expenditures for equipment are substantially increased, primarily because of a considerable number of additional automotive units which will be required for the newly opened parks, as well as some new beach cleaning equipment, which is needed for the more heavily used beach areas.

Development

The development section is actually an engineering organization which is charged with the preparation of master plans for all park units, as well as the preparation of detailed construction plans for minor projects not exceeding \$20,000 each which, under current law, may be constructed directly by the Division of Beaches and Parks without resorting to the facilities of the Division of Architecture. The organization also inspects construction as it progresses, provides master landscaping plans to be utilized by each district, surveys property boundaries as work loads permit, and provides engineering data for those major projects which will be constructed under the direction and control of the State Division of Architecture.

The staffing level of this section is proposed to be maintained at the same level as is authorized for the current year. The total cost of operation for the 1955-56 Fiscal Year is proposed at just a few hundred dollars less than the current fiscal year. Any additional personnel or operating expenses required for an expanded development program will be charged directly to such capital outlay funds as are provided in much the same manner as the problem is handled by the State Division of Forestry. We recommend approval of the budget for the development section as submitted.

Land Section

This section comprises a group of specialists in the acquisition of property for park purposes, and the acquisition of rights of way and easements for riding and hiking trails. The activity level of this unit has remained fairly static for the past few years, and for the 1955-56 Fiscal Year it is proposed to continue at the same level as the current fiscal year. Here too, any additional personnel or operating expenses required by an expanded acquisition program will be charged directly to such capital outlay funds as are provided. We recommend approval of the budget for the land section as submitted.

Division of Beaches and Parks—Continued

Included in the requests for equipment for the entire division is the sum of \$8,250 for the acquisition of six additional passenger type vehicles and one replacement of passenger type vehicle.

In line with a policy recommendation by this office, affecting all automotive units, both additional and replacement, it is recommended that:

1. Funds for these items be deleted from the agency support budgets.
2. The Department of Finance request an augmentation of their budget to enable them to procure sufficient vehicles and to provide the agency with necessary transportation services through a fleet management program in the automotive management section.
3. The Department of Finance make necessary revisions in the support budgets of the agencies to delete directly related automotive operating expenses and provide and offset item for automobile mileage to permit the agency to reimburse the Department of Finance on a mileage basis for the fleet service.

Department of Natural Resources
DIVISION OF FORESTRY

ITEM 180 of the Budget Bill

Budget page 716
 Budget line No. 46

For Support of Division of Forestry From the General Fund

Amount requested	\$9,624,847
Estimated to be expended in 1954-55 Fiscal Year	9,350,988
<hr/>	<hr/>
Increase (2.9 percent)	\$273,859

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$244,028	\$162,195	\$81,833	728	51
Operating expense	170,242	141,337	28,855	728	54
Equipment	—81,125	—183,215	102,090	728	55
	<hr/>	<hr/>	<hr/>		
Increased reimbursements	\$333,145 —59236	\$120,367 —59236	\$212,778 ---	728 728	57 78
Total increase	\$273,859	\$61,081		728	80

RECOMMENDATIONS

Amount budgeted	\$9,624,847
Legislative Auditor's recommendation	9,400,679
<hr/>	<hr/>
Reduction	\$224,168

ANALYSIS

The primary function of the State Division of Forestry is to provide fire prevention and suppression service on state-owned land and private land of high interest and value to the State's economy. In addition, it provides fire prevention and suppression service for rural areas at county request on a reimbursable basis. The secondary activities of the division include the inspection and regulation of private forest industries, the furnishing of advice and assistance in connection with small farm timber stands, and improvement of range conditions, the operation of several nurseries producing stock for public use and reforesta-

Division of Forestry—Continued

tion purposes, insect and disease control programs and the management of state-owned forests on a model demonstration, sustained yield basis.

For the 1955-56 Fiscal Year, it is proposed to provide the foregoing services at a net cost of \$9,624,847, which is \$273,859, or 2.9 percent greater than the \$9,350,988 estimated to be expended during the current fiscal year. While some of this increase may be attributed to normal merit adjustments in salaries and additional salaries and wages and operating expenses based on increased work load, the bulk of the over-all increase can be attributed only to an increase in the level of service proposed to be offered, particularly in the category of field services, which comprises the fire prevention and suppression activities of the division. The following analysis and recommendations are segregated in accordance with the eight operating sections of the Division of Forestry.

Administration

The administration section of the Division of Forestry provides a top-level staff for the general supervision and guidance of the various field forces from the standpoint of both ordinary housekeeping activities and the complex technical activities of the division. The operational cost of this section is proposed to be increased by approximately \$20,000, or slightly more than 3 percent over the cost for the current fiscal year. Primarily, this increased cost is the result of adjustments in the charges made for radio maintenance by the Division of Communications of the Department of Finance on a contract basis. These adjustments are the result of studies undertaken in the past two years which, while they have increased the cost for the 1955-56 Fiscal Year as compared with the current fiscal year, nevertheless, are substantially below what they would have been under the old contract arrangement. The estimated cost is \$169,509, as against a possible cost of \$230,000 which would have resulted from the old arrangement. This substantial reduction of over \$60,000 is in a considerable measure pursuant to recommendations made by us in previous years.

It is proposed that the staff of the administration section be increased by one state forest ranger grade I, at an annual salary cost of \$6,542, plus operating expenses and equipment, for the purposes of providing a liaison officer between the State Division of Forestry and the United States Forest Service, in order to inspect the activities of the latter organization with regard to the services furnished to the State on a contract basis. These services consist of providing fire suppression and control on a considerable acreage which is contiguous to or surrounded by federally owned land. It is assumed that this position will assure the State of getting the maximum service for the payments made to the Federal Government, and that it will provide a better working relationship between the two agencies. The total cost of the position will be reimbursed by deducting the equivalent amount from the payments made to the Federal Government. We believe that under the foregoing circumstances the position is justified. The proposed budget for the administration section is recommended for approval.

Division of Forestry—Continued

Fire Prevention Education

The fire prevention education section of the division provides a program of fire prevention and conservation education through a number of media such as posters, printed literature of various kinds, radio and TV announcements and showings of special motion picture film, the showing of motion pictures in theaters, appearances by staff members at all sorts of organizational meetings throughout the State, et cetera. The staff of this section consists of six positions, of which three are technical and three clerical.

The over-all cost of this section as proposed for the 1955-56 Fiscal Year is \$81,968, which is approximately \$1,500 less than the amount estimated to be expended in the current fiscal year. This reduction is primarily the result of anticipated reduced expenditures for equipment in the new fiscal year. We believe that the present level of activity provided by this section is justifiable, and consequently, we recommend approval of the budget for this section as submitted.

District Headquarters

In order to provide efficient "on the ground" supervision of the field activities of the Division of Forestry, a major portion of the administrative functions are decentralized and delegated to six administrative districts, which represent practical geographical divisions of the State. Each district is under the control and supervision of a deputy state forester who has wide latitude of authority. Each district has a headquarters staff and extensive facilities. Headquarters for District I is located in Santa Rosa in state-owned and constructed buildings. District II headquarters is located in Redding and is also in state-owned and constructed buildings. District III headquarters is presently located in rented facilities in North Sacramento, but authorization has already been given for the construction of facilities on a portion of the grounds of Sacramento State College. These facilities should be available some time during the 1955-56 Fiscal Year. District IV is located in Fresno, partly in rented facilities and partly in state-owned facilities. District V headquarters is located in Monterey in rented facilities; and District VI headquarters is located in Riverside in rented facilities for the time being, but a state-owned and constructed facility will be available during the 1955-56 Fiscal Year.

The general activities of the district headquarters are proposed to be continued at approximately the same level in the 1955-56 Fiscal Year as is provided for the current fiscal year. However, certain changes should be noted. Two additional man-years of positions are being requested. These will consist of two half-time groundsmen and flower gardeners, and two half-time janitors, who will provide service for the new district headquarters for Districts III and VI, which are expected to be ready for occupancy sometime during the 1955-56 Fiscal Year. The total cost of these four half-time positions for salaries and wages only, will be \$6,360. Since Districts III and VI will be occupying state-owned facilities, it will obviously be necessary to provide janitorial service for the buildings, and some grounds service. However, in view of the fact that the District III headquarters are to be constructed on the grounds of Sacramento State College, we suggest that the division

Division of Forestry—Continued

contract with the Department of Education for the necessary janitorial and groundsman services. Obviously, the state college will have a fairly large staff for this purpose when compared with the limited needs of the forestry headquarters installation and, consequently, it should be comparatively simple to integrate this function into the state college activities. We suggest, therefore, that the salaries and wages be cut in half to \$3,180, and that the operating expenses be increased by some amount, to be mutually arrived at, to provide for contract service by the state college.

We would like to call attention to an apparent discrepancy in the budget as presented for the district headquarters. It will be noted that in the item of rent for land and buildings that the sum of \$25,500 is proposed for the 1955-56 Fiscal Year, as compared with \$31,260 estimated for the current fiscal year. This reduction anticipates that for part of the new fiscal year Districts III and VI will be occupying state-owned quarters. On the other hand, since in District III part of the building space is to be leased to the Department of Fish and Game, and in District VI part of the space is to be leased to the Department of Motor Vehicles, concurrent reimbursement for this space should be shown under the item of reimbursements. This has not been done. It would appear that this might be an oversight on the part of both the Division of Forestry and the Department of Finance.

With the foregoing adjustments, we recommend approval of the budget for district headquarters as submitted.

Field Services

The primary function of the Division of Forestry, that of fire prevention, suppression and control service, is provided by numerous fire control stations, varying in size from 4-man to 13-man crews, and fire lookout stations located on strategic peaks throughout the State. This group of installations comprises the "field services." The over-all cost of this service is proposed to be increased by \$146,746, or 2.4 percent for the 1955-56 Fiscal Year. This would result in an expenditure of \$6,379,261, as compared with \$6,232,515 in the current fiscal year. While this appears to be a nominal increase, it should be pointed out that the increases in salaries and wages and operating expenses are substantial, but that they are appreciably offset by the fact that there is a substantial reduction in anticipated expenditures for equipment, largely due to the cyclic nature of the equipment replacement program.

The cost of salaries and wages for this function are proposed to be increased by \$156,362, or approximately 3 percent from \$5,117,533 estimated to be expended in the current fiscal year, to \$5,273,895 in the 1955-56 Fiscal Year. While a small portion, approximately \$26,000, of this increase is attributable to normal merit salary adjustments for the presently authorized personnel, the bulk of the increase results from a proposal to increase the staffing by one permanent forest fire dispatcher, and 315 man-months of suppression crews consisting of foremen, truck drivers, fire-fighters and crew cooks. These additional positions are intended to be used as follows:

Division of Forestry—Continued

The Division of Forestry proposes to assume direct control of 161,809 acres that are now within the protection boundary of the Stanislaus National Forest and for which the State is paying the U. S. Forest Service for fire protection. This direct control involves the establishment of three four-man fire suppression stations, one nine-man station, two lookouts, and two patrolmen with a concurrent reduction of an existing nine-man camp to a four-man crew. Equipment for the new establishments will involve six fire trucks, twelve radios, and two house trailers. Total cost of assuming this direct control will be \$116,422, which includes salaries and wages, operating expenses, and the purchase of the new equipment. As an offset, it is proposed to reduce the payments to the U. S. Forest Service by \$35,230. This reduction is applicable to a separate budget item, and does not appear in the regular support budget of the Division of Forestry. Apparently, one of the primary motives in desiring to make this change is the fact that the State Division of Beaches and Parks has recently acquired the South Calaveras Grove, which will ultimately be made into a regular unit of the state park system. It is being assumed that the fact that this unit will now be owned by the State will appreciably increase the fire hazard in the area, possibly because of the fact that the area may be opened to the general public. It is our understanding that it is not the intention of the Division of Beaches and Parks to throw this area open to general use for some years, and we believe that it should certainly not be opened to general use until the fire hazards existing now because of recent logging activities, are first properly cleaned up and reduced. Consequently, we can see no justification for increasing the existing level of service, which would result from the change desired by the Division of Forestry. We suggest that the area continue to be left in the control of the United States Forest Service, and, if necessary, additional payments be made to them for somewhat increased coverage in the area because of the newly acquired state park unit. Further, we suggest that any such increase in payments to the U. S. Forest Service should be chargeable to the Division of Beaches and Parks, since we believe that in acquiring the area the division also acquired the responsibility for the increased fire hazards. *The foregoing recommendation would result in an over-all reduction of approximately \$116,000.* We would like to point out also that the costs proposed by the Division of Forestry do not include Capital Outlay, which most certainly will be requested in the future in order to provide permanent fire suppression station facilities for the new crews.

The other important use of the additional manpower is the proposal by the division that it be allowed to expand its protection in San Diego County by establishing two additional four-man crews, and by increasing one existing four-man crew to a nine-man crew, and by providing an additional foreman to work with inmate crews from the Minnewawa Honor Camp. The total cost of the additional crews would be \$29,575 in salaries and wages, \$10,541 in operating expenses and \$47,130 for additional equipment consisting of four fire trucks, six radios, two house trailers for a grand total of \$87,246. This increase in protection for San Diego County is based on the desire of the Division of Forestry to achieve what appears to be an arbitrary level of fire control, which

Division of Forestry—Continued

consists of attempting to hold the average acreage burned per year to one-half of 1 percent of the total acreage within the responsibility zone of the division. Most of the acreage involved in burns in the San Diego area consists of grass and brush land. We fail to see how it is possible to justify a level of control which contemplates a complete burn only once every 200 years for vegetation of this type. The present average burns result in a percentage of 1.1, or a complete burn approximately every 100 years. It would seem to us that for the type of land involved this is a reasonable level. Consequently, we view this expansion as an increased level of service which we recommend not be allowed. *The foregoing recommendation would result in a reduction of approximately \$87,000.*

Minor expansions involving part of the additional personnel consist of 20 man-months of fire fighter foreman to be used in aerial patrol work in the Mendocino-Humboldt County areas. The aerial patrol is partly paid for by the local lumbering industry, which provides the plane and pilot, so that the only cost to the Division of Forestry is for a trained observer and radio equipment. In the past this has been provided by diverting manpower from the regular suppression crews. We believe that the additional manpower to be utilized directly in this patrol work is justified by the increased work load in the area resulting from increased logging activities.

Three additional patrol foremen, amounting to 36 man-months, are proposed for the lower Klamath, Cloverdale and Hopland-Ukiah areas. These areas have had greatly increased forest activities due to the expansion of the logging and saw mill industries. It appears that the work load justifies the additional coverage.

In view of the foregoing, we recommend a total reduction of approximately \$203,000 covering the additional crews proposed for the Stanislaus Forest and San Diego County.

Forestry Honor Camps

The Division of Forestry operates three permanent and three temporary camps housing 265 inmates of the Youth Authority, and 10 permanent and two temporary camps housing 655 inmates of the Department of Corrections. The primary purpose of these camps is to provide rehabilitation programs for certain types of good security risk inmates at an appreciably lower cost than could be provided in regular permanent prison facilities. The secondary value of these camps is that they provide a pool of labor for fire suppression work, particularly in the event of very large fires, and a pool of labor which produces important results in the reduction of fire hazards, the construction of access roads, and the production of forest products which are used by the Division of Forestry, as well as by other agencies to some extent.

The over-all cost of operating these honor camps shows one of the highest increases of any of the functions of the Division of Forestry. For the 1955-56 Fiscal Year, it is proposed to increase the cost by \$91,001, or approximately 7 percent from \$1,282,285 estimated to be expended in the current fiscal year, to \$1,373,286. This increase is primarily the result of expanding one of the existing camps, Parlin Fork, by 25 inmates, changing the Mountain Home Camp from a 20-

Division of Forestry—Continued

man CYA camp to a 35-man CDC camp, and the establishment of a new CDC camp in the Humboldt area. This expansion requires one additional forestry work project foreman for the Parlin Fork Camp, one additional work project foreman for the Mountain Home Camp, and four additional work project foremen for the new Humboldt County Camp ; these positions total 74 man-months. In addition, it is proposed to add 72 man-months of forestry equipment operator in order to provide skilled operators for the various types of heavy equipment, such as bulldozers, motor graders, dump trucks, et cetera, used by the various camps in the course of the work projects. It has been clearly established that the degree of skill required to operate this equipment cannot be imparted to the inmates in the short period of their stay in the camps. Consequently, we believe that these additional positions are justified. Operating expenses and equipment are increased to provide for the expanded activities in the Parlin Fork Camp and the new CDC camp in Humboldt County. The major factor of increase is in the category of payments made to the inmates which for the 1955-56 Fiscal Year is proposed to be \$762,388, as compared with \$709,620 estimated for the current fiscal year. It should be pointed out that the new camp in Humboldt County is expected to employ about half its manpower potential in various labor projects for the Division of Beaches and Parks. Consequently, for the first time there is shown, under "reimbursements," an amount of \$32,666 as reimbursement from the Division of Beaches and Parks for work to be done. It is our understanding that these charges represent approximately one-half of the total cost of operating the camp and, therefore, appear equitable since half of the work projects will be for the Division of Beaches and Parks. In view of the foregoing, we recommend that the budget for the forestry honor camps be approved as submitted.

Forest Management

The primary function of the forest management section is to administer the provisions of the Forest Practices Act and to "police" the various forest industries with a view to encouraging practices which will result in sustained productivity of forest lands and reduce fire hazards. The secondary functions of this section involve advisory service to small timber owners, often referred to as "farm forestry," and the management of state-owned forests on a demonstration sustained-yield basis.

The level of activity of this section is proposed to remain about equal to that which is provided in the current fiscal year. The over-all cost of the operation is projected to be a few thousand dollars less than the amount estimated to be expended in the current fiscal year because of reductions in anticipated purchases of equipment. In view of the foregoing, we recommend approval of the budget of forest management as submitted.

The sale of forest products from state-owned forest lands is expected to bring in \$200,000 in the 1955-56 Fiscal Year, as against \$182,000 estimated for the current year. The cost of managing and operating these lands is approximately \$80,000 for the 1955-56 Fiscal Year for

Division of Forestry—Continued

technical positions and paid labor, not including inmate labor. This latter amount includes \$24,751 for in-lieu taxes.

Range Improvement

The activities of the range improvement section are about equally divided between the services it renders to private land owners in controlled range burning programs on the one hand, and the various experimentation programs and studies which it undertakes in connection with general range improvement involving reseedling, range grass type studies, and soil erosion control. For the 1955-56 Fiscal Year it is proposed to carry on these activities at approximately the same level as provided for in the current fiscal year. In fact, the overall cost of the activity will be approximately \$3,000 less than in the current fiscal year, primarily because of the fact that no replacement or additional equipment is scheduled for the 1955-56 Fiscal Year.

We recommend approval of the budget for range improvement as submitted.

State Nursery

The Division of Forestry operates a nursery program for the production of forest types of nursery stock at its main nursery installation located adjacent to the division corporation yard near Davis, and at three branch nurseries located at Ben Lomond CYA Honor Camp, Parlin Fork CDC Honor Camp and Magalia CDC Honor Camp. The production of these nurseries is used for sale to the general public for certain purposes and under certain conditions, and by the Division of Forestry in its reforestation programs. For the 1955-56 Fiscal Year, the Division of Forestry is proposing to make a substantial increase in its nursery program to the extent of \$23,276, or 59.1 percent from \$39,356 estimated to be expended in the current fiscal year to \$62,632 in the budget year. This increase is entirely the result of a proposal that two new positions of assistant forest technicians be added at an annual total starting salary of \$9,110, plus increased operating expenses and additional equipment for the two positions, for the purpose of providing a full-time supervisor at each of the branch nurseries. The third position would be accomplished by the transfer of an existing assistant forest technician position now located at the Davis headquarters. This increased level of service is based on the representation that the branch nurseries are inefficiently operated under present methods, and that too much nursery stock is lost through lack of supervision of the inmates doing the actual work at the branch nurseries. We would like to point out, first of all, that for the 1955-56 Fiscal Year total sales to the public are projected at only \$20,000. This means that the nursery would be operated at a loss of \$42,000, which would represent the cost of producing stock for purposes other than that of sale to the public. We question whether any one of the branch nurseries is a sufficiently large operation to justify a full-time supervisor, and further, we have seen no clear indication of the actual losses supposedly sustained under the present form of operation. We suggest that the use of the one existing assistant forest technician position on an itinerant basis among the three branch nurseries, together with such

Division of Forestry—Continued

interim supervision as can be provided by other existing positions at the honor camps, whether forestry personnel or custodial personnel, should provide a sufficient coverage to assure a reasonably efficient operation of the three branch nurseries. *We believe that the two additional positions are an unwarranted increase in the level of service and, consequently, we recommend that these two positions be deleted at a savings of \$9,110, plus such operating expenses and equipment as were scheduled specifically for these two positions.*

General Comments

As in prior years, we have again undertaken an intensive scrutiny of equipment requests, in cooperation with the Division of Forestry and the Department of Finance, during the formation of the budget. For the 1955-56 proposed budget, this has resulted in a very substantial reduction of \$81,125, or 13.6 percent from the \$595,508 estimated to be expended in the current fiscal year for equipment purchases, to \$514,383 projected for the 1955-56 Fiscal Year. To some extent, this reduction reflects the fact that the major program for building up the radio equipment of the Division of Forestry is now behind it, so that the new budget contains comparatively few items of additional radio equipment. Also, the cost of replacement of automotive equipment tends to fluctuate from year to year, since it is based on a definite formula.

Included in the request for automotive equipment is the sum of \$11,390 for the acquisition of 10 replacement passenger-type automotive vehicles. *In line with a policy recommended by this office affecting all automotive units, both additional and replacement, it is recommended that:*

1. Funds for these items be deleted from the agency support budget.
2. The Department of Finance request an augmentation of their budget to enable them to procure sufficient vehicles to provide the agency with the necessary transportation services through a fleet management program in the automotive management section.
3. The Department of Finance make necessary revisions in the support budget of the agency to delete direct related automotive operating expenses and provide an offset item for automobile mileage, to permit the agency to reimburse the Department of Finance on a mileage basis for the fleet service.

Department of Natural Resources
DIVISION OF FORESTRY

ITEM 181 of the Budget Bill

Budget page 716
Budget line No. 61

For Support of Direct Allotment to Counties for Cooperative Watershed Protection From the General Fund

Amount requested	\$885,879
Estimated to be expended in 1954-55 Fiscal Year.....	777,233

Increase (14.0 percent)	\$108,646

Division of Forestry—Continued

RECOMMENDATIONS

Amount budgeted	\$885,879
Legislative Auditor's recommendation	823,617
Reduction	\$62,262

ANALYSIS

Seven of the counties which operate their own forest fire protection and control systems contain certain acreages which are considered the State's responsibility. In order to avoid duplicate organizations in these counties, the State pays these outside counties, on a contract basis, to protect that land which it recognizes as its responsibility. The degree of control provided by these counties is reasonably close to that provided by the State in similar areas.

The Division of Forestry is now proposing to increase, substantially, the payments to four of these counties, Los Angeles, Marin, Santa Barbara, and Ventura, in order that these counties can provide a higher level of protection to the State responsibility land than they are now able to do. The basis for this proposal is the statement that the division desires to attain a goal wherein the average acreage annually burned will not exceed one-half of 1 percent of the total acreage recognized as having state interest. The following tables indicates the average experience for the five-year period from 1949 to 1953.

<i>County</i>	<i>Total state acreage</i>	<i>Actual acres burned</i>	<i>Percentage burned</i>	<i>Desired maximum burn</i>
Los Angeles	520,000	3,468	0.66	2,601
Marin	247,800	1,866	0.75	1,239
Santa Barbara	571,000	11,398	1.99	2,855
Ventura	333,600	7,809	2.34	1,668

It will be noted from the table that Los Angeles and Marin Counties had an experience, percentagewise, which was quite close to the arbitrary goal. It should be pointed out that in the four counties, most of the acreage involved is brush and grass land serving primarily as watershed. A goal of one-half of 1 percent represents a total burn once every 200 years. It would appear that for this type of vegetation, such a goal is unnecessarily high. We would also like to point out that for each increment of decrease in area burned, the cost becomes progressively greater, so that it becomes highly questionable that the cost necessary to maintain a maximum burn of one-half of 1 percent can be justified in terms of results. It is doubtful, also, whether any additional effort in any given period will actually attain such a desired goal, since there are so many variable factors involved which are entirely beyond the control of the fire-fighting organization. With a given level of organization, a cycle of good weather, from the fire standpoint, can result in a very low average burn. The same organization, in a bad weather cycle, would probably be faced with a much higher total burn.

In view of the foregoing, we suggest that a goal of 1 percent for this type of land is more realistic and, consequently, we recommend that the increases be allowed for Santa Barbara and Ventura County only, and that no increases be allowed for Los Angeles and Marin County. *This recommendation would achieve a reduction of \$62,262 in this item.*

Department of Natural Resources
DIVISION OF FORESTRY

ITEM 182 of the Budget Bill

Budget page 716
Budget line No. 64

*For Support of Allotments to U. S. Forest Service for Protection of Private Lands
Within and Adjacent to National Forests From the General Fund*

Amount requested	\$736,146
Estimated to be expended in 1954-55 Fiscal Year	771,376
Decrease (4.6 percent)	\$35,230

RECOMMENDATIONS

Amount budgeted	\$736,146
Legislative Auditor's recommendation	771,376
Increase	\$35,230

ANALYSIS

The United States Forest Service undertakes the fire protection of certain privately owned lands contiguous to or within the boundaries of national forests which would otherwise be the responsibility of the State to protect. For this protection, the State reimburses the U. S. Forest Service on a formula basis, the level of which was increased by the 1953 Legislature so that yearly payments were raised from \$498,222 to \$771,376 for approximately the same total area.

The Division of Forestry now proposes to assume the direct protection of 161,809 acres lying in the Stanislaus National Forest, primarily because of the recent purchase, by the Division of Beaches and Parks, of the Calaveras South Grove. In so doing, it is proposed to reduce the payments to the U. S. Forest Service by \$35,230, and instead to provide direct state protection at a cost exceeding \$100,000. In our analysis of the support budget of the Division of Forestry, we have recommended against this change in the method of protection for the area involved. *Consequently, we recommend that this item be restored to its previous amount of \$771,376, and further that if additional protection is needed in the area, that it be provided by the U. S. Forest Service in consideration for increased payments to them, the increases to be reimbursed by the Division of Beaches and Parks.*

Department of Natural Resources
DIVISION OF FORESTRY

ITEM 183 of the Budget Bill

Budget page 716
Budget line No. 67

*For Support of 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 1954-55 Fiscal year	24,000
Increase	None

RECOMMENDATIONS

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

Division of Forestry—Continued

ANALYSIS

Chapter 1415 of the Statutes of 1947 initiated a program of long-range research in the problems of rainfall and stream flow in the watershed areas of Southern California. The actual work is carried on by the United States Department of Agriculture to which the State transfers this item on a contract basis as its share of the research program.

We believe this research continues to be of considerable importance to the southern part of the State and, consequently, we recommend that the program be continued by approval of this item.

Department of Natural Resources
DIVISION OF FORESTRY

ITEM 184 of the Budget Bill

Budget page 717
Budget line No. 7

For Support of White Pine Blister Rust Control Protection in Cooperation With United States Department of Agriculture From the General Fund

Amount requested	\$125,000
• Estimated to be expended in 1954-55 Fiscal Year	125,000
Increase	None

RECOMMENDATIONS

Amount budgeted	\$125,000
Legislative Auditor's recommendation	125,000
Reduction	None

ANALYSIS

The white pine blister rust disease is still sufficiently wide spread and of sufficient magnitude in the State's important sugar pine resource to warrant continuation of control measures, the costs of which are shared with the United States Department of Agriculture on a fifty-fifty basis. In prior years, the State's share averaged \$168,000, but in the current fiscal year and in the 1955-56 Fiscal Year the level of operations is estimated to be such that the State's share will be \$125,000. We recommend approval of the item as submitted.

Department of Natural Resources
DIVISION OF FORESTRY

ITEM 185 of the Budget Bill

Budget page 717
Budget line No. 9

For Support of Emergency Fire Suppression and Detection From the General Fund

Amount requested	\$ 320,000
Estimated to be expended in 1954-55 Fiscal Year	320,000
Increase	None

RECOMMENDATIONS

Amount budgeted	\$ 320,000
Legislative Auditor's recommendation	320,000
Reduction	None

Division of Forestry—Continued
ANALYSIS

This item provides an emergency fund which is drawn on by the Division of Forestry only in the event of a fire of such magnitude as to require the recruitment of outside help, the rental of additional equipment and other special services beyond the capacities of the regular forces of the division. The fund cannot be used for any other purposes, and any unexpended portions revert to the General Fund. A like amount has been provided in each of the last three years. Average expenditures from this fund for the past five years has been approximately \$250,000 annually. The last completed year of 1953-54 required an expenditure of only \$136,000. We recommend approval of this item as submitted.

Department of Natural Resources
DIVISION OF FORESTRY

ITEM 186 of the Budget Bill

Budget page 717
Budget line No. 15

For Support of Forest Insect Control From the General Fund

Amount requested	\$35,000
Estimated to be expended in 1954-55 Fiscal Year	35,000
Increase	None

RECOMMENDATIONS

Amount budgeted	\$35,000
Legislative Auditor's recommendation	35,000
Reduction	None

ANALYSIS

The State Division of Forestry undertakes various measures for the control of forest insect infestations, primarily pine beetles on both state and private forest lands. Control efforts expended on private lands are on the basis of matching by the land owner, either by cash or labor. The total program remains at about the same level as has been provided for the past several years. We recommend approval of the item as submitted.

Department of Natural Resources
DIVISION OF FORESTRY

ITEM 187 of the Budget Bill

Budget page 717
Budget line No. 20

*For Support of Wild Land Vegetation and Soil Mapping Project
From the General Fund*

Amount requested	\$86,821
Estimated to be expended in 1954-55 Fiscal Year	89,972
Decrease (3.5 percent)	\$3,151

RECOMMENDATIONS

Amount budgeted	\$86,821
Legislative Auditor's recommendation	86,821
Reduction	None

Division of Forestry—Continued

ANALYSIS

Chapter 1875 of the Statutes of 1953 initiated a program for the mapping of vegetation and soil types in the wild land areas of the State. The actual work is performed by the University of California and the California Forest and Range Experiment Station of the United States Department of Agriculture.

At its inception, this program was presented as one which would require approximately 10 years for its consummation, based on a certain level of activity for each year, which would result in an economical group operation. At the then prevailing wage rates and other costs, this activity was estimated to cost \$77,000 annually. However, since that time there have been increases in the wage scales for the employees, both of the university and of the United States Department of Agriculture, which raise the annual cost to \$86,821. Since we believe that it was the intent of the Legislature to permit a program which could be completed within 10 years, then we believe that it is justifiable to continue the same level of activity by providing the additional funds required. Consequently, we recommend approval of the item as submitted.

Department of Natural Resources
DIVISION OF FORESTRY

ITEM 188 of the Budget Bill

Budget page 717
Budget line No. 31

For Support of Fire Weather Index From the General Fund

Amount requested.....	\$10,000
Estimated to be expended in 1954-55 Fiscal Year.....	--
Increase	10,000

RECOMMENDATIONS

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

ANALYSIS

For a number of years past the United States Weather Bureau has provided the State Division of Forestry, without cost, certain data which predicts potential fire weather conditions for each day, as well as trends for several days in advance. The data has been of considerable value to the Division of Forestry, particularly in certain areas.

A decrease in the budget of the Weather Bureau has caused them to discontinue this service to the Division of Forestry. A continuation of this service can be provided by a contract arrangement with the Weather Bureau at a cost of \$10,000 annually. We believe that this service is of justifiable importance to the division and, consequently, we recommend approval of the item as submitted.

Department of Natural Resources
DIVISION OF MINES

ITEM 189 of the Budget Bill

Budget page 732
Budget line No. 6

For Support of Division of Mines From the General Fund

Amount requested	\$453,742
Estimated to be expended in 1954-55 Fiscal Year	445,397
Increase (1.9 percent)	\$8,345

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$5,324	\$5,324	---	732	77
Operating expense	—135	—135	---	733	28
Equipment	3,156	3,156	---	733	45
Total increase	\$8,345	8,345	---	732	13

RECOMMENDATIONS

Amount budgeted	\$453,742
Legislative Auditor's recommendation	447,578
Reduction	\$6,164

ANALYSIS

The primary objective of the Division of Mines of the State of California is to encourage the expansion of the mining industry in the State and to assist the industry from a broad technological standpoint by undertaking surveys of the various mineral resources of the State, with a view to indicating their commercial potentialities, and to disseminate this information through the medium of its publications, which are distributed at cost to the public and on an exchange basis with libraries all over the United States. In the course of its surveys and studies it produces important geological topographic maps, which are available to the industry, to prospectors, and to the general public, at cost. Specialized libraries are maintained in the San Francisco headquarters office and in the Los Angeles office, both of which are open to the public. The division also maintains laboratories in which it carries out its own studies, as well as providing a certain limited mineral identification service to the public at no charge. The San Francisco headquarters also maintains an outstanding mineralogical museum.

The activities of the Division of Mines for the 1955-56 Fiscal Year are proposed to be carried on at approximately the same level as was authorized for the current fiscal year. The cost of the over-all operation is slightly increased by \$8,345, or 1.9 percent from \$445,397 estimated to be expended in the current fiscal year, to \$453,742 in the Budget Year. No new positions are involved, but normal merit salary adjustments produce a slight increase in total salaries and wages. Operating expenses remain at practically the same estimated rate of expenditure as for the current fiscal year, but expenditures for equipment are increased somewhat as a result of the need to replace some of the division's vehicles which receive exceptionally hard usage, mostly in the back country area and generally away from paved or improved highways.

Division of Mines—Continued

As in prior years, we have undertaken an extensive scrutiny, in cooperation with the Division of Mines, and the Department of Finance, of the equipment requested of the agency. We believe the items that have been included in the budget are fairly well justified. We would like to call attention to the fact that included in the equipment is the sum of \$6,164 for the acquisition of three replacement passenger-type automotive units. In line with the policy recommendation by this office affecting all automotive units, both additional and replacement, it is recommended that:

1. Funds for these items be deleted from the agency's support budget.
2. The Department of Finance request an augmentation budget to enable them to purchase sufficient vehicles to provide the agency with necessary transportation services through a fleet management program in the automotive management section.
3. The Department of Finance make necessary revisions in the support of budgets of the agencies to delete directly related automotive operating expenses and provide an offset item for automobile mileage to permit the agency to reimburse the Department of Finance on a mileage basis for the fleet service.

With the foregoing adjustment, we recommend approval of this budget as submitted.

**Department of Natural Resources
DIVISION OF MINES**

ITEM 190 of the Budget Bill

Budget page 732
Budget line No. 21

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 1954-55 Fiscal Year -----	35,000
Increase -----	None

RECOMMENDATIONS

Amount budgeted -----	\$35,000
Legislative Auditor's recommendation -----	35,000
Reduction -----	None

ANALYSIS

The United States Geological Survey undertakes a continuous survey of the geological features of the State of California. The State, for the past number of years, has been sharing in the cost of this work to the extent of \$35,000 annually. The data, maps and reports which the State Division of Mines receives as a result of this work represents a value for which the State would expend considerably more than \$35,000 to produce with its own resources.

Since the results of this work are a basic tool in the studies carried out by the State Division of Mines, we believe that a continuation of this program is well justified. Consequently, we recommend approval of this item as submitted.

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

ITEM 191 of the Budget Bill

Budget page 734
Budget line No. 7

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

Amount requested	\$546,873
Estimated to be expended in 1954-55 Fiscal Year	526,101
Increase (3.9 percent)	\$20,772

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$17,987	\$17,987	---	734	78
Operating expense	4,363	4,363	---	735	27
Equipment	-1,578	-1,578	---	735	38
Total increase	\$20,772	\$20,772	---	735	45

RECOMMENDATIONS

Amount budgeted	\$546,873
Legislative Auditor's recommendation	544,723
Reduction	\$2,150

ANALYSIS

The Division of Oil and Gas functions primarily as a regulatory agency to conserve the oil and gas resources of the State and to prevent the contamination of water resources by oil and gas production activities. The support of this division is provided entirely by the oil and gas producing industry through levies against the actual oil and gas produced. These levies are sufficient also to maintain a surplus of approximately \$50,000 in the Petroleum and Gas Fund.

The budget proposed for the 1955-56 Fiscal Year is an increase of \$20,772, or 3.9 percent over the expenditures estimated for the current fiscal year, primarily in the category of salaries and wages of which half is in merit salary increases, and half in three new positions attributed to work load. The three new positions are actually two full-time and two half-time positions totaling three man-years. The work load statistics indicate that these positions, which are clerical, to be placed in Santa Paula, Coalinga, Bakersfield, and Taft, are justified when compared with the division's largest office located in Los Angeles. The comparisons, when made either on the basis of the ratio of reports issued to clerical positions, or the ratio of clerical positions with respect to technical positions, clearly indicates that even with the additional positions, the four district offices mentioned will still be in a comparatively poorer position than Los Angeles. Consequently, we recommend approval of the budget as requested.

We would like to call attention to a phase of the operations of the Division of Oil and Gas which we believe should be studied. The division now has 34 automobiles which are used primarily by engineers in the course of well inspections. Of this group of cars, we find that for the 1955-56 Fiscal Year it is estimated that 16 will be used less than 10,000 miles each. In fact, one car is scheduled at only 3,500 miles for the budget year. The highest scheduled use is 16,500 miles. The average

Division of Oil and Gas—Continued

for the entire group of cars is only 10,675 miles per car. We believe that this is poor usage of the equipment, which indicates that studies may develop the possibility of pooling cars in certain areas so that fewer cars will be required to do the over-all job. We recommend that such a study be undertaken by the Division of Automotive Management of the Department of Finance.

In addition we would call attention to the fact that included in the request for equipment is the sum of \$2,150 for the acquisition of two replacement automobiles.

In line with a policy recommendation by this office, affecting all automotive units, both additional and replacement, it is recommended that:

1. Funds for these items be deleted from the agency support budget.
2. The Department of Finance request an augmentation of its budget to enable it to procure sufficient vehicles and to provide the necessary transportation services through a fleet management program in the automotive management section.
3. The Department of Finance make necessary revisions in the support budgets of the agencies to delete direct related automotive operation expenses and provide an offset item for automobile mileage to permit the agency to reimburse the Department of Finance on a mileage basis for the fleet service.

**Department of Natural Resources
SOIL CONSERVATION COMMISSION**

ITEM 192 of the Budget Bill

Budget page 736
Budget line No. 7

For Support of Soil Conservation Commission From the General Fund

Amount requested	\$73,384
Estimated to be expended in 1954-55 Fiscal Year	42,892
Increase (71.1 percent)	\$30,492

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$21,948	\$16,452	\$5,496	736	67
Operating expense	3,618	3,618	---	737	15
Equipment	4,998	3,798	1,200	737	24
	<u>30,564</u>	<u>23,868</u>	<u>6,696</u>	737	26
Less:					
Increased reimbursements	—72	—72	---	737	29
Total increase	\$30,492	\$23,796	---	737	31

RECOMMENDATIONS

Amount budgeted	\$73,384
Legislative Auditor's recommendation	62,888
Reduction	\$10,496

64843

**Soil Conservation Commission—Continued
ANALYSIS**

The State Soil Conservation Commission consists of seven members, two of whom are state officials, and five are appointed by the Governor. The commission serves without compensation, with the exception of reimbursements of expenses incurred in attending meetings and carrying out other duties. The commission, with the assistance of a paid staff of employees, assists in the formation and organization of soil conservation districts throughout the State, and advises on their operations. It also controls the Soil Conservation Equipment Revolving Fund from which it may authorize the purchase of various types of heavy equipment suitable for soil conservation purposes, either to be sold to the districts on extended terms, or rented to them, as conditions might justify. The commission was also recently designated as the cooperating state agency mentioned in Public Law 566 enacted by the Congress in 1954, for the purpose of providing assistance in small watershed flood and erosion control problems.

The commission is now proposing to double its technical staff, which at present consists of three positions, one of which also acts as secretary to the commission. This expansion is anticipated to increase the commission's cost of operations by \$30,492, or approximately 71 percent from \$42,892 estimated to be expended in the current fiscal year, to \$73,384 in the 1955-56 Fiscal Year. The work load figures submitted in justification of this expansion do not appear to be realistic, based on past experience. For instance, proposals for new districts have averaged about 16 per year for the past five years. For the current fiscal year, they are estimated at 15; whereas for the 1955-56 Fiscal Year they are estimated at 28, an increase of over 75 percent above the current fiscal year. We suggest that a more realistic approach would anticipate approximately 25 percent increase, or about 20 new proposals.

Applications for small watershed programs are projected to increase from the eight applications estimated for the current fiscal year, to 12 applications in the 1955-56 Fiscal Year. Since this is a totally new function for the commission, it is rather difficult to predict a trend, and at this time we would not disagree with the possible increase indicated. However, we would like to point out that there does not appear to be the same amount of effort required in this type of application as in the formation of a district. Proposals for changes in existing districts have averaged about 24 annually for the past four years. For the current fiscal year it is estimated that there will be 33 such proposals, and for the 1955-56 Fiscal Year this is projected to 55 proposals—an increase of over 65 percent. Here, too, we fail to see the justification for so much increase based on past experience. A 25 percent increase would anticipate approximately 41 such proposals in 1955-56. Requests for assistance have been rising at a fairly even rate, and it is possible that the number of 1,600 projected for the 1955-56 Fiscal Year is reasonably sound.

The three existing technical positions, consisting of the secretary and two associate soil conservationists probably have a total value of 2.75 man-years, since at least 25 percent of the secretary's time is devoted to supervisory and "housekeeping" types of activity. For the past

Soil Conservation Commission—Continued

three or four years the technical positions have been expending increasing efforts in uncompensated overtime work. For the 1953-54 Fiscal Year, the actual amount was 1,611 man-hours, which is roughly equivalent to 0.75 man-years. This amount, added to the previously mentioned figure of 2.75, makes a total effective force of 3.5 man-years of technical personnel. If the technical staff were increased by two positions, part of these two positions would compensate for the overtime work, and part, approximately 1.25 man-years, would be additional. The latter figure would represent an effective increase of over 35 percent in the technical manpower of the commission staff. We believe that this would be adequate to take care of a realistically projected work load. *Consequently, we recommend that the positions of one state soil conservationist, one associate soil conservationist and one intermediate typist clerk be allowed, and that one associate soil conservationist be deleted.* This would result in a savings of \$5,496 in salaries and wages, plus such operating expenses and equipment as were scheduled for implementation of the position.

Included in the request for equipment is the sum of \$3,600 for the acquisition of additional and \$1,400 for replacement passenger-type automotive equipment. In line with a policy recommendation by this office affecting all automotive units, both additional and replacement, it is recommended that:

1. Funds for these items be deleted from the agency support budget.
2. The Department of Finance request an augmentation of their budget to enable them to procure sufficient vehicles to provide the agency with necessary transportation services through a fleet management program in the automotive management section.
3. The Department of Finance make necessary revisions in the support budgets of the agencies to delete directly related automotive operating expenses, and provide an offset item for automobile mileage to permit the agency to reimburse the Department of Finance on a mileage basis for the fleet service.

**Department of Natural Resources
SOIL CONSERVATION COMMISSION**

ITEM 193 of the Budget Bill

Budget page 736
Budget line No. 24

**For Support of Allotment to Soil Conservation Service for Pleasanton Nursery
From the Soil Conservation Equipment Revolving Fund**

Amount requested	\$30,000
Estimated to be expended in 1954-55 Fiscal Year	30,000
<hr/>	
Increase	None

RECOMMENDATIONS

Amount budgeted	\$30,000
Legislative Auditor's recommendation	30,000
<hr/>	
Reduction	None

Soil Conservation Commission—Continued

ANALYSIS

In the 1954-55 Budget, there was included for the first time an item of \$30,000 payable from the Soil Conservation Equipment Revolving Fund for payment to the United States Soil Conservation Service as a matching sum to enable the continued operation of the Pleasanton nursery, which the Soil Conservation Service had expected to close because of curtailment of its own budget by the Federal Government.

The Pleasanton nursery has done considerable research in developing hardy, quick growing grass types for soil conservation purposes. Apparently much still remains to be done in this field. Consequently, we recommend that the State continue to assist in the operation of the nursery and that this item be approved as submitted.

DEPARTMENT OF PUBLIC HEALTH

ITEM 194 of the Budget Bill

Budget page 738

Budget line No. 67

For Support of the Department of Public Health From the General Fund

Amount requested	\$3,961,880
Estimated to be expended in 1954-55 Fiscal Year	3,973,150
Decrease (0.3 percent)	\$11,270

Summary of Increase

	Total increase	INCREASE DUE TO		Budget page	Line No.
		Work load or salary adjustments	New services		
Salaries and wages	\$81,998	\$81,998	---	762	9
Operating expense	—136,558	—136,558	---	762	10
Equipment	27,426	27,426	---	762	11
Add:					
Decreased reimburse- ments	15,864	15,864	---	762	15
Total increase	—\$11,270	—\$11,270	---	762	34

RECOMMENDATIONS

Amount budgeted	\$3,961,880
Legislative Auditor's recommendation	3,912,530
Reduction	\$49,350

SUMMARY

The California State Department was established in 1870 becoming the second such department formed in the nation. The first State Board of Health was primarily an advisory and informational body with very limited powers. These powers were expanded by the Legislature in 1905 and provision made for a bureau organization.

The State Board of Health now consists of the Director of Public Health and nine other members. The code provides that one member shall be a duly licensed and practicing dentist in the State and six members shall be duly licensed and practicing physicians. Board members with the exception of the director are appointed by the Governor for four year terms, such terms to be staggered as set forth in the code. The board functions as a policy making, regulatory, quasi-judicial and licensing body. The State Director of Public Health is the executive officer of the board and administrative head of the department.