

DISTRICT COURT OF APPEAL, FOURTH APPELLATE DISTRICT

ITEM 27 of the Budget Bill

Budget page 23
Budget line No. 7

FOR SUPPORT OF THE DISTRICT COURT OF APPEAL, FOURTH APPELLATE DISTRICT, FROM THE GENERAL FUND

Amount requested	\$178,144
Estimated to be expended in 1955-56 Fiscal Year	175,001
Increase (1.8 percent)	\$3,143

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	\$2,545	\$2,545	--	23 36
Operating expense	558	558	--	23 51
Equipment	40	40	--	23 58
Total increase	\$3,143	\$3,143	--	23 60

RECOMMENDATIONS

Amount budgeted	\$178,144
Legislative Auditor's recommendation	178,144
Reduction	None

ANALYSIS

This court has jurisdiction over appeals from superior courts in 10 counties and also handles appeals transferred from the Supreme Court. The court consists of one division of three justices. The court meets in Fresno, San Bernardino, and San Diego for four months each year.

As authorized by Chapter 1350/55, a contingency has been established to provide criminal appeals attorney fees where it is necessary. As there has been no experience, the amount requested is difficult to estimate. An amount of \$2,500 was set up for estimated 1955-56 from the Emergency Fund and the budgeted amount for 1956-57 is \$3,000 as determined by a conference of judges.

The increase of 1.8 percent above the 1955-56 budget request is due primarily to normal salary increases and to the \$500 increase in the above contingent item of criminal appeal attorney fees.

Approval of the amount budgeted is recommended.

GOVERNOR

ITEM 28 of the Budget Bill

Budget page 24
Budget line No. 7

FOR SUPPORT OF GOVERNOR FROM THE GENERAL FUND

Amount requested	\$429,960
Estimated to be expended in 1955-56 Fiscal Year	410,829
Increase (4.6 percent)	\$19,131

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	\$13,215	\$13,215	--	24 72
Operating expense	1,116	1,116	--	25 13
Equipment	4,800	4,800	--	25 19
Total increase	\$19,131	\$19,131	--	25 21

Governor—Continued

RECOMMENDATIONS

Amount budgeted.....	\$429,960
Legislative Auditor's recommendation.....	429,960
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Reduction	None

ANALYSIS

The increase of \$19,131 is due primarily to salary adjustments, two proposed new positions, an administrative assistant II and an intermediate stenographer clerk. We are advised that work load increases have occurred in various functions in the Governor's Office which justify the establishment of these two positions. Slight increase also occurs in some items of operating expense and equipment. The nature of the work of the Governor's Office is such that it is very difficult to appraise work load as such, compared with new service. The total increase in expenditures of the office is reasonably in line with the normal growth factors reflected throughout the budget.

We recommend approval of the amount requested.

Governor

ITEM 29 of the Budget Bill

Budget page 24
Budget line No. 21

FOR SUPPORT OF GOVERNOR'S RESIDENCE FROM THE GENERAL FUND

Amount requested.....	\$17,400
Estimated to be expended in 1955-56 Fiscal Year.....	17,400
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Increase	None

RECOMMENDATIONS

Amount budgeted.....	\$17,400
Legislative Auditor's recommendation.....	17,400
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Reduction	None

ANALYSIS

We recommend approval of the amount requested.

Governor

SPECIAL SECRET SERVICE EXPENSE

ITEM 30 of the Budget Bill

Budget page 24
Budget line No. 23

FOR SPECIAL CONTINGENT EXPENSES OF THE GOVERNOR'S OFFICE FROM THE GENERAL FUND

Amount requested.....	\$7,500
Estimated to be expended in 1955-56 Fiscal Year.....	7,500
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Increase	None

RECOMMENDATIONS

Amount budgeted.....	\$7,500
Legislative Auditor's recommendation.....	7,500
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Reduction	None

**Special Secret Service Expense—Continued
ANALYSIS**

The amount of \$7,500 is requested for contingent expenses (secret service) of the Governor's Office. This is the customary amount. This item is exempt from the usual budgetary claim audits provided for state expenditures by Sections 12410, 13320, 16003 and 17031 of the Government Code. Historically, this secret fund has always been available for the Governor's Office, appearing in the Controller's Report of 1850 as an appropriation to the Governor's Contingent Fund. In the 1853-54 Fiscal Year, the title of the appropriation changed to Contingent Fund of the Governor and in 1872 it was changed to Special Contingent (Secret Service). In its purpose, this fund is similar to the one provided the Attorney General for secret investigations. The entire amount appropriated to the Governor's Office for this purpose in previous years has been entirely expended.

We recommend approval as budgeted.

OFFICE OF CIVIL DEFENSE

ITEM 31 of the Budget Bill

Budget page 26
Budget line No. 6

FOR SUPPORT OF OFFICE OF CIVIL DEFENSE FROM THE GENERAL FUND

Amount requested	\$908,055
Estimated to be expended in 1955-56 Fiscal Year	970,166
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Decrease (6.4 percent)	\$62,111

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages	9,915	9,915	--	27 71
Operating expense	-73,099	-73,099	--	28 40
Equipment	408	408	--	28 47
Add: Decreased reimbursements	665	665	--	28 57
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Total increase	-\$62,111	-\$62,111	--	28 59

RECOMMENDATIONS

Amount budgeted	\$908,055
Legislative Auditor's recommendation	908,055
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Reduction	None

ANALYSIS

The California Legislature, during the Third Extraordinary Session of 1950, created the Office of Civil Defense to function as a section of the Governor's Office by enactment of Chapter 3 of the Statutes of 1950. The function of this new office was contemplated as being one which would assume responsibility for making over-all plans for civilian defense and relief in the event of any major disaster, either natural or man-made, but particularly disasters resulting from enemy action.

The original organizational structure consisted of a headquarters staff of experts in a number of technical fields related to defense and relief, such as law enforcement, fire services, medical and health services, communications, radiological safety services, et cetera. In addition, the

Office of Civil Defense—Continued

State was divided into 10 operational regions, each under the control of a state-paid regional coordinator with suitable assistance, depending on the size and complexity of the region. As a result of repeated challenge of this organizational structure by the Legislature and others, the organization was revamped during the current fiscal year to the extent that the State was divided into only three regional areas instead of 10, with a concurrent reduction in personnel. In addition, reductions were made in the headquarters staff of the various divisions, mentioned above. These changes entailed considerable reshuffling of field control centers and headquarters, with a concurrent movement of communications equipment and supply storage points. This movement required certain nonrecurring expenses which tended to increase the level of expenditures for the current fiscal year over what it might otherwise have been.

The entire communications structure of the Office of Civil Defense is presently under study by a committee composed of representatives of the Office of Civil Defense, representatives of the Department of Finance and the Legislative Auditor, and representatives of the Pacific Telephone and Telegraph Company and Western Union. The study of this system should be complete before the end of the current fiscal year and such changes or realignments of the system as are finally recommended by the committee will probably be undertaken at that time. One of the major considerations in this study of the communications system is the authorization for the purchase of five additional mobile communication centers which was provided by Chapter 1696 of the Statutes of 1955. It is anticipated that these additional mobile centers will greatly improve the flexibility and dependability of the system while at the same time probably allow for reduction of the fixed radio and land-line equipment.

Since the Office of Civil Defense is also charged with the responsibility for coordinating transportation and mass evacuation of the citizens of the State of California in the event of a major disaster, we would call attention to the fact that there are still not available clear-cut plans and procedures for mass evacuation either at the federal or state level. Civil defense experts do not seem to be in agreement either as to the method of evacuation or whether evacuation should be attempted at all. In fact, we believe that neither the federal Civil Defense Administration nor the State Office of Civil Defense has as yet clearly defined their respective missions in the event of major disasters of various types. For this reason, we continue to question the purpose and effectiveness of the present organizational structure.

While the Office of Civil Defense has been engaged in the current year primarily in rearranging its regional organization from 10 down to three and in changing some of its stockpile storage areas, it has also engaged in assisting local areas in working out disaster and evacuation plans. In December of 1955 it was faced with the opportunity to demonstrate its efficiency and effectiveness as a disaster service agency when serious floods occurred in Northern California, particularly in the Yuba City-Marysville area, the north coastal area in the vicinity of the mouth of the Eel River, the Russian River area, the Santa Cruz area, and the delta area. Starting on December 22d, the office placed its headquarters

Office of Civil Defense—Continued

staff and pertinent regional staffs on a 24-hour operational basis. The major service it was able to render, immediately, was to provide communications to and from the stricken areas when local wire networks failed. In this they had the assistance of federal and other state communication facilities, as well as amateur radio operators. During this time the Office of Civil Defense was also designated by the Governor as the over-all federal-state coordinating disaster relief agency through which the State of California would receive federal assistance as provided in P. L. 875 of the 81st Congress, as amended. The office also was designated as the agency for application to and local distribution of federally provided surplus feed grains to assist farmers with distressed livestock and poultry.

During the critical period the office disseminated a great deal of flood and road condition information. It arranged for and provided barge, tug, helicopter, and other airplane equipment to assist in rescuing various kinds of livestock. It also handled many requests for information on missing persons and assisted in rescuing them in a number of cases. Many types of supplies and equipment were furnished to the distressed areas by the Office of Civil Defense from its own supplies or by its activities from other sources of supply. Among these were such things as water purification units, vaccine and other antibiotics and drugs, portable generators and lighting equipment, portable communications equipment, food rations, pumps, fire fighting equipment, aluminum water pipe, and heavy engineering equipment. The Office of Civil Defense was assisted by or offered assistance to many of the state and local agencies as well as federal agencies and a number of private organizations. The state of 24-hour emergency alert was continued through January 6th, at which time it was lifted. From material and information available to us, it would appear that the Office of Civil Defense discharged its responsibilities during this serious situation with efficiency and effectiveness.

In the 1956-57 Fiscal Year, the Office of Civil Defense is proposing to reduce the cost of its operations by \$62,111, or approximately 6.4 percent from \$970,166 estimated to be expended in the current fiscal year, to \$908,055 estimated for the new budget year. However, it should be pointed out that this apparent decrease is somewhat misleading. In the current fiscal year there is included in the budget \$5,000 for moving expense, \$20,000 for relocation of stockpiled supplies and equipment, and \$45,000 for relocation of control centers, a total of \$70,000. These are one-time costs and are not normal operating expenses.

Therefore, it may be said that actually the normal cost of operating the Office of Civil Defense for the 1956-57 Fiscal Year would be slightly increased over the current fiscal year. The same number of positions, 96.5, which were authorized for the current fiscal year are proposed to be used in the budget year, and the cost of these positions will be slightly increased due to normal merit salary adjustments. Exclusive of the three one-time items previously mentioned, the total of operating expenses will be approximately the same for both the current year and the budget year. In equipment it is proposed to expend slightly more in the 1956-57 Fiscal Year than is estimated to be expended in the current fiscal year.

Office of Civil Defense—Continued

It would probably be more appropriate to compare the expenditure proposals for the 1956-57 Fiscal Year with the last completed fiscal year of 1954-55. Here we find that the proposed expenditures of \$908,055 are \$11,204 less than was expended in 1954-55, or approximately a 1.2 percent reduction. However, the actual man years of positions expended in 1954-55 was 111.9, as compared with the 96.5 positions proposed for the new budget year. This is a reduction of approximately 15 positions. Actually, the authorized number of positions in 1954-55 was somewhat greater than the figure shown, but the final figure reflects reductions resulting from partially filled positions. From the standpoint of salaries and wages, there was \$645,580 expended for this purpose in 1954-55, as compared with \$589,846 anticipated for the 1956-57 Fiscal Year. This reduction appears to be considerably greater than the total reduction in cost between the two years. The difference is based on the fact that operating expenditures are appreciably higher, in certain categories, in the 1956-57 Fiscal Year. These categories are principally in the cost of maintenance and supplies for the communications equipment, the radiological equipment, fire trucks, and rescue trucks, resulting from the growth of the pool of equipment over the last several years. Another item of increased expense is the cost of maintaining the Sacramento headquarters, \$15,600, which is now being undertaken on the basis of a service agreement between the Office of Civil Defense and the Department of the California Highway Patrol, whose Highway Patrol Academy adjoins the headquarters building of Civil Defense. In prior years the building was maintained by the Division of Buildings and Grounds out of its support budget and the cost was not charged directly to the Office of Civil Defense. We would question the wisdom and economy of this procedural change since we have some doubts that the Department of Highway Patrol can perform maintenance and operation functions as efficiently and economically as the Division of Buildings and Grounds.

On the whole it may be said that the proposal of the Office of Civil Defense for the 1956-57 Fiscal Year reflects essentially a continuation of level of service authorized by the Legislature for the 1955-56 Fiscal Year. Nevertheless, we believe that considerable additional thought must be given in the General Session of 1957 to further streamlining of the operations of this branch of the state government and to effecting more economies by the transfer of as many functions as possible from state to local control. With the foregoing observation, we recommend that the budget as proposed for the 1956-57 Fiscal Year be approved.

Office of Civil Defense

ITEM 32 of the Budget Bill

Budget page 26
Budget line No. 16

FOR SUPPORT OF FINGERPRINTING CIVIL DEFENSE FROM THE GENERAL FUND

Amount requested.....	\$5,000
Estimated to be expended in 1955-56 Fiscal Year.....	5,000
Increase	None

Office of Civil Defense—Continued

RECOMMENDATIONS

Amount budgeted.....	\$5,000
Legislative Auditor's recommendation.....	5,000
Reduction	None

ANALYSIS

The Office of Civil Defense contracts with the State Bureau of Criminal Identification and Investigation for the fingerprinting and criminal screening of volunteer civil defense workers for the purpose of determining their loyalty and general fitness to assume the necessary authority and duties. This is undertaken in accordance with Section 1518.4 of the Military and Veterans Code.

For the current fiscal year, the Legislature appropriated \$10,000 for this purpose. However, it is now estimated that no more than \$5,000 will be spent during the 1955-56 Fiscal Year and it is proposed to appropriate this lesser amount for the 1956-57 Fiscal Year. We recommend approval of the item as submitted.

REVENUE DEFICIENCY (RAINY DAY) RESERVE FUND

ITEM 33 of the Budget Bill

FOR USE OF REVENUE DEFICIENCY RESERVE FUND

ANALYSIS

This item makes available, in the event of an extreme emergency during the 1956-57 Fiscal Year, any money in the Revenue Deficiency Reserve Fund for such an emergency. For purposes of extreme emergency as defined by Section 1505 and 1505.5 of the Military and Veterans Code, it provides that this money or so much as necessary shall be transferred to the Emergency Fund upon direction of the Governor, Controller and Director of Finance and pursuant to the recommendation of the California State Disaster Council. Upon termination of the state of extreme emergency, the unencumbered balance of the money so transferred shall be returned to the Revenue Deficiency Reserve Fund.

The same use of the "Rainy Day" Fund as provided by this item was made by Item 269.1 of the Budget Act of 1951, by statute during the 1950-51 and 1952-53 Fiscal Years, by Item 32 of the Budget Act of 1953, by Item 31 of the Budget Act of 1954, and Item 33 of the Budget Act of 1955. We believe adequate safeguards are established for the use of this money during extreme emergencies.

We recommend approval.

LIEUTENANT GOVERNOR

ITEM 34 of the Budget Bill

Budget page 30
Budget line No. 7

FOR SUPPORT OF LIEUTENANT GOVERNOR FROM THE GENERAL FUND

Amount requested	\$51,971
Estimated to be expended in 1955-56 Fiscal Year.....	48,472
Increase (7.2 percent)	\$3,499

Retirement System

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Lieutenant Governor—Continued

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages -----	\$770	\$770	--	30 33
Operating expense -----	195	195	--	30 48
Equipment -----	2,534	2,534	--	30 55
Total increase -----	\$3,499	\$3,499	--	30 57

RECOMMENDATIONS

Amount budgeted -----	\$51,971
Legislative Auditor's recommendation -----	51,971
Reduction -----	None

ANALYSIS

Normal salary adjustments and the replacement of an automobile in the amount of \$2,750 accounts for the increase of \$3,499.

We recommend approval.

STATE EMPLOYEES' RETIREMENT SYSTEM

ITEM 35 of the Budget Bill

Budget page 31

Budget line No. 5

FOR SUPPORT OF STATE EMPLOYEES' RETIREMENT SYSTEM FROM THE GENERAL FUND

Amount requested -----	\$275,354
Estimated to be expended in 1955-56 Fiscal Year -----	296,891
Decrease (7.3 percent) -----	\$21,537

Summary of Increase

	Total increase	INCREASE DUE TO		Budget Line page No.
		Work load or salary adjustments	New services	
Salaries and wages -----	\$32,553	\$32,553	--	35 35
Operating expense -----	4,503	4,503	--	35 36
Equipment -----	-8,217	-8,217	--	35 37
Less: increased reimbursement --	-50,376	-50,376	--	35 43
Total increase -----	-\$21,537	-\$21,537	--	35 45

RECOMMENDATIONS

Amount budgeted -----	\$275,354
Legislative Auditor's recommendation -----	275,354
Reduction -----	None

ANALYSIS

The State Employees' Retirement System administers both the State Employees' Retirement System and the Legislators' Retirement System. This involves determination of membership computation, collection, and recording of employer contributions and member contributions, service and compensation; the computation and payment of withdrawals of member contributions and death and retirement benefits, including retirement for service, ordinary and industrial disability and industrial death; the investment of funds; the preparation of