

**Water Pollution Control Board
SERVICES BY OTHER AGENCIES**

ITEM 253 of the Budget Bill

Budget page 760
Budget line No. 34

*For Support of the Water Pollution Control Board, for Services by Other
Agencies, From the General Fund*

| | |
|---|-----------|
| Amount requested | \$177,310 |
| Estimated to be expended in 1951-52 Fiscal Year | 235,120 |
| Decrease (24.6 percent) | \$57,810 |

RECOMMENDATIONS

| | |
|--|-----------|
| Amount budgeted | \$177,310 |
| Legislative Auditor's recommendation | 177,310 |
| Reduction | None |

ANALYSIS

The amount requested will provide for services from other state agencies as required by state and regional pollution boards. Other state agencies will be reimbursed from these funds for investigations or other services rendered by the agencies to the boards upon their request. For that reason, provision in the various agency budgets for this estimated additional work load is not necessary.

We recommend approval.

**Public Utilities Commission
GENERAL FUND ACTIVITIES**

ITEM 254 of the Budget Bill

Budget page 764
Budget line No. 7

For Support of Public Utilities Commission From the General Fund

| | |
|---|-------------|
| Amount requested | \$1,632,758 |
| Estimated to be expended in 1951-52 Fiscal Year | 1,563,500 |
| Increase (4.4 percent) | \$69,258 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|---------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$83,242 | \$73,234 | \$10,008 | 770 | 9 |
| Operating expense | 2,656 | 2,656 | --- | 770 | 10 |
| Equipment | -2,670 | -2,670 | --- | 770 | 11 |
| Less reimbursements | -13,970 | -13,970 | --- | 770 | 15 |
| Total increase | \$69,258 | \$59,250 | \$10,008 | | |

RECOMMENDATIONS

| | |
|--|-------------|
| Amount budgeted | \$1,632,758 |
| Legislative Auditor's recommendation | 1,624,043 |
| Reduction | \$8,715 |

ANALYSIS

Had it not been for an increase in estimated salary savings of \$43,606 the increase of \$69,258 shown above would have been \$112,864, or 7.2 percent instead of 4.4 percent.

An allocation from the Emergency Fund of \$31,292 for 1951-52, Budget page 764, line 9, was made to finance in part the 13 new positions added to the Public Utilities Department in December 1951. This was made to assist in eliminating a current backlog in work orders, which are discussed in detail below. The amount of the emergency allocation consisted of salaries and wages \$24,682, operating expenses \$1,500, and equipment \$5,110.

The recommended reductions all relate to filing equipment and are as follows:

| | Division | Amount | Budget page | Line No. |
|-----------------------------------|----------|---------|-------------|----------|
| Administration | | | | |
| Office—additional | ----- | \$5,819 | 766 | 6 |
| Control and Regulation | | | | |
| Office—replacement | ----- | 1,225 | 768 | 20 |
| Office—additional | ----- | 1,147 | 768 | 21 |
| Hearings and Formal Investigation | | | | |
| Office—replacement | ----- | 131 | 769 | 11 |
| Office—additional | ----- | 398 | 769 | 12 |
| Total | ----- | \$8,715 | | |

We recommend withholding approval of the purchase of any of the above filing equipment pending the final report to the 1952 Legislature of the Assembly Committee on Governmental Reorganization, which has made a special study of records management for the state service as a whole, including the problem of filing equipment and including the problems of the Public Utilities Commission.

The replacements included in the foregoing all represent steel cabinets to replace obsolete wooden files having no salvage value.

The total includes the following kinds of equipment:

| Kind of equipment | No. | Amount |
|-----------------------------------|-----|---------|
| 5 drawer legal size cabinets | 38 | \$4,988 |
| 4 drawer legal size cabinets | 2 | 262 |
| 4 drawer letter size cabinets | 6 | 570 |
| Metal transfer cases, legal size | 85 | 935 |
| Metal transfer cases, letter size | 196 | 1,960 |
| Totals | 327 | \$8,715 |

Control and Regulation
Public Utilities Department

In December, 1951, the Department of Finance authorized the addition of nine engineer and four clerical positions to the staff of this unit for the balance of the 1951-52 Fiscal Year and for 1952-53, the positions to terminate June 30, 1953. The positions involved, all on budget page 766, are as follows:

| | Salaries | | Line No. |
|--|----------|----------|----------|
| | 1951-52 | 1952-53 | |
| 2 Senior utilities engineers | \$8,109 | \$13,084 | 55 |
| 3 Associate utilities engineers | 10,511 | 16,971 | 58 |
| 4 Assistant utilities engineers | 11,505 | 18,580 | 61 |
| 1 Senior stenographer-clerk | 1,950 | 3,151 | 71 |
| 1 Supervising calculating machine operator | 1,859 | 3,000 | 74 |
| 1 Calculating machine operator | 1,607 | 2,590 | 77 |
| 1 Intermediate stenographer-clerk | 1,540 | 2,717 | 83 |
| Totals | \$37,081 | \$60,093 | |

Part of the cost of these positions for 1951-52 is covered by the allocation from the Emergency Fund of \$31,292, budget page 764, line 9, which included \$24,682 for salaries and wages. The remainder is expected to be financed out of salary savings.

The justification for these positions is that they are needed to assist in eliminating the current backlog of work orders. These involve studies having to do with formal hearings on calendar, earnings and rate studies, annual and fundamental investigations and similar matters, all relating to public utilities other than transportation companies.

While these additional positions appear to be justified on the basis of work load for the period requested, we believe that the need for the positions should have been anticipated by the agency and presented in the regular manner as a part of its 1951-52 Budget request. The backlog which has developed does not appear to be due to any sudden emergency but appears to have developed over a considerable period of time.

We recommend continuance of these positions on a temporary basis to June 30, 1953, but recommended further that the agency, in consultation with the appropriate unit of the Department of Finance, develop a work load basis which will anticipate budget requirements more accurately in the future.

Transportation Department—Engineering Division

The four additional associate transportation engineers, budget page 767, line 66, and the four additional assistant transportation engineers, budget page 767, line 68, all positions to terminate June 30, 1953, are requested for the engineering division to process a backlog of deferred research work relating to transportation matters comparable to that previously mentioned in the Public Utilities Department concerning utilities other than transportation companies.

At the preliminary budget hearing before the Department of Finance in October, 1951, the agency requested two additional positions for this work. Later, data was presented indicating that the agency needed not two, but eight, positions to process a backlog of studies.

There have been no increases in the staff of this unit for the last four years and we recommend approval of the positions on a temporary basis. However, this situation indicates that precise and agreed measurements have not yet been developed for anticipating and budgeting backlog of work orders. This is particularly true of unassigned work orders which are of a research nature. It is normal operating practice for agencies with technical staff to have at all times some backlog of necessary research projects.

The associate transportation operations supervisor, budget page 767, line 71, and the assistant transportation operations supervisor, budget page 767, line 74, both positions to terminate June 30, 1953, are requested for a new program of safety inspection of trucks operated by highway common carriers, petroleum irregular route carriers and petroleum contract carriers, and will add a total of 591 carriers to the number being investigated. Although these two positions are shown in the General Fund section of the budget it is anticipated that most of the salaries involved will be charged to the Transportation Rate Fund under the plan of financial settlement.

We recommend approval of these positions.

Transportation Department—Rate Division

The two additional transportation rate experts, positions to terminate June 30, 1953, budget page 767, line 77, are to prepare rate studies in connection with Mountain-Pacific and transcontinental rate cases. It is believed that unless this is done cases now pending before the Interstate Commerce Commission may result in an undesirable rate structure for California. This work is to be carried on in cooperation with other Mountain-Pacific State commissions and California shippers. Under the plan of financial settlement the cost of these positions, insofar as the studies relate to transportation of property, will be charged to the Transportation Rate Fund.

We recommend approval of these positions.

**Public Utilities Commission
TRANSPORTATION RATE FUND**

ITEM 255 of the Budget Bill

Budget page 772
Budget line No. 12

For Support of Public Utilities Commission From the Transportation Rate Fund

| | |
|---|-------------|
| Amount requested | \$1,411,993 |
| Estimated to be expended in 1951-52 Fiscal Year | 1,396,677 |
| Increase (1.1 percent) | \$15,316 |

Summary of Increase

| | Total increase | INCREASE DUE TO | | Budget page | Line No. |
|--------------------------|-------------------|------------------------------------|-----------------|----------------|-------------|
| | | Work load or salary adjustments | New services | | |
| Salaries and wages | \$1,061 | \$5,801 | \$4,740 | 772 | 8 |
| Operating expense | 10,388 | 10,388 | --- | 772 | 9 |
| Equipment | 5,989 | 5,989 | --- | 772 | 10 |
| Total increase | \$15,316 | \$10,576 | \$4,740 | | |

RECOMMENDATIONS

| | |
|--|-------------|
| Amount budgeted | \$1,411,993 |
| Legislative Auditor's recommendation | 1,405,289 |
| Reduction | \$6,704 |

ANALYSIS

The increase of \$15,316, for 1952-53 over 1951-52, would have been greater by \$12,000 except for an increase in salary savings of that amount.

Of the total expenditures budgeted for 1952-53 of \$1,411,993, the amount of \$782,700 or 55.4 percent represents reimbursement to the General Fund for services of units, the detailed operations of which are shown in the General Fund activities budget for this agency. The expenditures detailed in this section are those which relate solely to activities supported by the Transportation Rate Fund.

We recommend a reduction of \$6,704 in the amount requested for 1952-53, as follows:

| | Amount | Budget page | Line No. |
|---------------------------|---------|----------------|-------------|
| 1 Informal examiner | \$4,740 | 771 | 31 |
| Filing equipment | 1,964 | 771 | 60 |
| Total | \$6,704 | | |

The informal examiner is requested for the Permits and Fees Division to extend the advisory service given in connection with permit applications, to radial highway carriers and highway contract carriers. This is a new service which is not required by law, and accordingly we recommend the position be deleted.

We recommend that budgetary control over the purchase of any additional filing equipment give consideration to the final report to the 1952 Legislature of the Assembly Committee on Governmental Reorganization, which has made a special study of records management for the state service as a whole, including the problem of filing equipment and including the problems of the Public Utilities Commission. The filing equipment involved is as follows:

| | <i>Number</i> | <i>Amount</i> |
|---|---------------|---------------|
| 5-drawer legal file cabinets..... | 5 | \$655 |
| 15-drawer 3x5 file with top and base..... | 1 | 149 |
| Visible file cabinet, 5x5, with stand..... | 3 | 700 |
| 7-drawer, double compartment, 5x5 file..... | 2 | 460 |
| | 11 | \$1,964 |

**Department of Public Works
DEPARTMENTAL ADMINISTRATION**

ITEM 256 of the Budget Bill

Budget page 773
Budget line No. 10

For Support of Departmental Administration From the General Fund

| | |
|--|-----------|
| Amount requested..... | \$122,615 |
| Estimated to be expended in 1951-52 Fiscal Year..... | 116,141 |
| | \$6,474 |
| Increase (5.6 percent)..... | \$6,474 |

RECOMMENDATIONS

| | |
|---|-----------|
| Amount budgeted..... | \$122,615 |
| Legislative Auditor's recommendation..... | 122,615 |
| | None |
| Reduction..... | None |

ANALYSIS

The Division of Departmental Administration in the Department of Public Works provides overhead administration for the Division of Highways, the Division of Architecture, and the Division of Water Resources, as well as accounting service for the latter two divisions. The Division of Highways provides its own accounting service. Since the Division of Highways is a special fund agency, it reimburses departmental administration for administrative services only to the extent of eleven-twelfths of the total cost of the administrative service.

The over-all cost of operating departmental administration is estimated to be increased by \$19,774, or 7.8 percent, from \$252,043 estimated to be expended during the current fiscal year to \$271,817 for the 1952-53 Fiscal Year. Of the total amount, \$122,615 will be payable from the General Fund and therefore represents the cost of providing administration and accounting service to the Division of Architecture, and the balance will be paid by the Division of Highways and Water Resources Board.

The original appropriation made by the Legislature in 1951 for General Fund support was \$96,119, providing for 48.1 authorized positions.