

MINUTE ITEM

42. PROPOSED BUDGET 1962-63 FISCAL YEAR - W.O. 3990.7.

After consideration of Calendar Item 15 attached, and upon motion duly made and carried, the following resolution was adopted, with Member Champion not voting:

THE COMMISSION APPROVES:

1. THE PROPOSED BUDGET OF THE STATE LANDS DIVISION, DEPARTMENT OF FINANCE, FOR THE FISCAL YEAR 1962-63, IN THE TOTAL AMOUNT OF \$1,070,958, INCLUSIVE OF CONTRIBUTIONS TO THE STATE EMPLOYEES' RETIREMENT AND HEALTH AND WELFARE FUNDS.
2. THE ESTABLISHMENT OF POSITIONS AS FOLLOWS:

<u>SECTION</u>	<u>NUMBER OF POSITIONS</u>
CIVIL ENGINEERING	
CIVIL ENGINEERING ASSOCIATE	1
MINERAL RESOURCES	
PETROLEUM PRODUCTION INSPECTOR I	1
OIL GAUGER	1
COMMERCIAL AND RECREATIONAL LEASING	
ASSISTANT LAND AGENT	1
LAND SALES AND RECORDS	
INTERMEDIATE TYPIST-CLERK	1

Attachment  
Calendar Item 15 (4 pages)

CALENDAR ITEM

15.

PROPOSED BUDGET 1962-63 FISCAL YEAR - W.O. 3990.7.

The State Lands Division's proposed budget for the 1962-63 Fiscal Year is based on an anticipated increase in activity during both the current and forthcoming periods.

Barometers used to forecast future activity show:

1. A work-load backlog as of July 1, 1961, estimated to be in excess of 40 man-years.
2. An additional work-load of 9 to 12 man-years resulting from new legislative assignments. Fourteen grants of tide and submerged lands, made at the 1961 Session of the Legislature, must be surveyed within the next two-year period. Twelve of these enactments require that the grantee substantially improve the granted area within the next ten years. The statutes require the Commission to review and report on the adequacy of compliance by the grantee.
3. Continuing requirements for furnishing technical assistance to the office of the Attorney General in connection with multi million-dollar litigatory actions.
4. Constantly increasing activity in other potential petroleum areas; thus, an increasing amount of work to be performed in connection with evaluation of exploratory data incident to the offering and development of new oil-and-gas leases offshore Santa Barbara County, as well as in other Southern California basins.
5. A heavy work load to be discharged in connection with secondary recovery operations under the provisions of Chapter 29/56, 1st E.S., at Long Beach.

Taken together, these factors indicate ever-increasing activity. Therefore, the Division's proposed budget for 1962-63 in the amount of \$1,070,958 (4.4% in excess of the current year) represents a minimum increase.

Copies of the Division's budget justification, together with schedules of proposed expenditures, have been furnished to members of the Commission to permit detailed review of the agency's future program and its proposed expenditures, as summarized in the following:

CALENDAR ITEM 15. (CONTD.)

<u>State Lands Division</u>	<u>Estimated 1961-62</u>	<u>Proposed 1962-63</u>	<u>Increase or Decrease</u>
Number of Positions	112.8	116.1	3.3
Administration-Support	\$ 964,180	\$1,002,530	\$ + 38,350
Contribution to Retirement and Health and Welfare Programs	\$ 61,410	\$ 68,428	\$ + 7,018
Total Expenditures	\$ 1,025,590	\$1,070,958	\$ + 45,368 (4.4%)

Comparison by Object Categories

<u>Description</u>	<u>Current Year</u>	<u>Budget Year</u>	<u>Difference</u>
Salaries & Wages	\$ 804,626	\$ 832,904	\$ + 28,278
Operating Expense	216,915	216,516	- 399
Equipment	<u>21,297</u>	<u>19,400</u>	<u>- 1,897</u>
Total Allotments	\$1,042,838	\$1,068,820	\$ + 25,982
Estimated Resimbursements	<u>- 78,658</u>	<u>- 66,290</u>	<u>+ 12,368</u>
Net Expenditures	\$ 964,180	\$1,002,530	\$ + 38,350

Salaries and Wages - Additional salary costs are composed of merit salary adjustments and the costs of five proposed new positions. Positions being requested are:

Civil Engineering Associate	1
Petroleum Production Inspector I	1
Oil Gauger	1
Assistant Land Agent	1
Intermediate Typist-Clerk	1

The positions proposed are necessitated by additional work-load and will be assigned in various units of the Division where increased activity makes them requisite.

CALENDAR ITEM 15. (CONTD.)

Attention is invited to the following which reconciles positions authorized 1961-62 with positions proposed 1962-63:

Authorized - 1961-62	112.8
Deduct:	
3 positions Civil Engineering established current year only	- 3.0
Decrease in Temporary Help	<u>- 0.8</u>
Total	109.0
Add:	
Decrease in Salary Savings	+ 2.1
Proposed New Position	<u>+ 5.0</u>
Proposed Positions 1962-63	116.1

Operating Expense - Estimated expenditures for this purpose show a slight decrease (\$399) for the budget year as compared with the current year.

Equipment - Allotments requested for equipment for the budget year are estimated at \$1,897 less than the current year. The allotments provide for the equipping of a gas-testing laboratory at Santa Barbara where new lease development has made this equipment essential. They also provide for adding to the Division's law library and the purchase of one replacement vehicle and two new motor vehicles. Vehicles to be procured will meet established State standards.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE:

1. THE PROPOSED BUDGET OF THE STATE LANDS DIVISION, DEPARTMENT OF FINANCE, FOR THE FISCAL YEAR 1962-63, IN THE TOTAL AMOUNT OF \$1,070,958, INCLUSIVE OF CONTRIBUTIONS TO THE STATE EMPLOYEES' RETIREMENT AND HEALTH AND WELFARE FUNDS.
2. THE ESTABLISHMENT OF POSITIONS AS FOLLOWS:

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CIVIL ENGINEERING ASSOCIATE	1

CALENDAR ITEM 15. (CONTD.)

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PETROLEUM PRODUCTION INSPECTOR I	1
OIL GAUGER	1
COMMERCIAL AND RECREATIONAL LEASING	
ASSISTANT LAND AGENT	1
LAND SALES AND RECORDS	
INTERMEDIATE TYPIST-CLERK	1