

12/1/69

Memorandum 70-3

Subject: Fiscal Matters

The Department of Finance has advised me that the Governor's budget will include funds to finance the priority 1 request but not the priority 2 request. This results in a \$5,000 reduction in the amount requested by the Commission, the major portion of this reduction will necessarily have to be allocated to research contracts (\$3,000 or more) and temporary secretarial and legal help (\$1,000).

The amount approved by the Governor for 1970-71 is \$162,818 as compared to \$169,654 appropriated for 1969-70. The effect of inflation makes the reduction more significant than the mere dollar difference. Nevertheless, the staff has previously indicated its belief--and still believes--that the priority 1 request would provide sufficient funds to conduct an efficient operation although the level of services will need to be reduced below the level which existed during 1963-1967. (We do not consider 1968-69 to be a typical year since that was a transitional year and the low production during that year resulted from the delay in filling vacancies on the Commission. Also the reduction in meeting days from 3 days to 2 days a month results in savings in all budget categories.)

The major effect of the reduction is to make less funds available for research. However, we have some freedom to transfer funds that we can save in other expenditure categories to research. The staff will continue to make every effort to minimize all expenditures so that the reduction in the research category can be kept to the minimum. We anticipate some salary savings since we will be filling the budgeted Assistant Counsel

position with a student legal assistant in July 1970. Also this staff turnover may result in some decrease in the production we had hoped to achieve and this would result in savings in printing and some other budget categories.

We do not know what action the Legislature will take on the Governor's budget. If the Legislature approves the amount budgeted for the Commission, we will bring to your attention any fiscal problems that result.

Respectfully submitted,

John H. DeMouilly
Executive Secretary