

8/26/74

Memorandum 74-39

Subject: Budget for 1975-76 Fiscal Year

Attached (gold pages) is a draft of a staff proposed budget for the 1975-76 fiscal year. The Department of Finance has directed that we prepare a budget that does not exceed \$225,684, and the proposed budget is for this amount.

We have not received any response to the Commission's request that the salary level for the position of the Executive Secretary be reviewed. You will recall that the top of the salary range for Assistant Executive Secretary is higher than the salary level for the position of Executive Secretary. When the Department of Finance has made a decision on this request, we will adjust the budget accordingly. For the 1974-75 fiscal year, we are planning to cover any increase in the salary for the position of Executive Secretary out of the funds already budgeted for 1974-75. For the 1975-76 fiscal year, we will add the amount of such increase to the proposed budget for 1975-76.

We are under considerable pressure during the current fiscal year in operating expenses. We have equipment expenditures of \$3,861 which were not originally budgeted (\$630.00 of this amount is for the purchase of a copying machine, the remainder is for installment purchase of a Mag Card II typewriter). Also, all categories of operating expenses are substantially higher than in 1973-74 as a result of inflation. The same comments are true with respect to 1974-75 except that inflationary increases will be even greater. The Department of Finance has allowed 11% increase in operating expenses for 1974-75 to allow for the inflationary increase anticipated for 1975-76.

Salary Savings

In order to stay within the amount allotted by the Department of Finance and to budget for operating expenses in a realistic way, we have prepared a budget that anticipates substantial salary savings. We plan to promote Mr. Sterling to the position of Assistant Executive Secretary as soon as he qualifies (December 1974) and have budgeted funds to permit us to promote Mr. Ulrich to Staff Counsel I when he qualifies. We plan to fill the vacant position on the legal staff with a Legal Counsel Range B for the remainder of the 1974-75 fiscal year and then to fill the position at the entry level. We are downgrading one of the clerical positions from Senior Legal Stenographer to Clerk-Typist II Range C. One of our two clerical employees will resign in October 1974, and the position will be filled at a Clerk-Typist II Range C entry level. These anticipated events are the basis on which we have budgeted substantial salary savings.

Printing

The reports published during 1973-74 reflect expenditures of over \$55,300 for printing. See Exhibit I (pink). The major portion of this expense was paid in prior years in composing the copy for the reports on eminent domain which were published in 1974. We expect substantial printing expenditures during 1974-75 and 1975-76 in printing our recommendations relating to eminent domain, nonprofit corporations, and creditors' remedies. See Memorandum 74-40 (Commission Output 1974-77). We are facing constantly increasing printing costs. We have budgeted on the assumption that we can substantially reduce printing expense by using our Mag Card II typewriter to compose printed pages.

Traveling-in-State

We expect substantial travel expenses in connection with the legislative consideration of our eminent domain recommendations. Moreover, the 1973-74 fiscal year is not typical for meetings, the number of meeting days being significantly lower than in past years:

<u>Fiscal Year</u>	<u>No. of Days of Meetings</u>
1971-72	30
1972-73	24
1973-74	21
1974-75	10 (first half of year)

We may find it necessary to meet more days during the calendar years 1975 and 1976 as we consider problems arising in connection with our eminent domain proposals and also attempt to put together a legislative program for the 1977 session.

Consultant Services

Because of the need to cover printing costs and equipment costs, we have not been able to budget any significant amount for consultant services during 1975-76. Yet we have lost a senior member of the legal staff, and this is bound to have a significant adverse effect on staff production that might be filled to some extent by consultant services. (See Memorandum 74-49, wherein the staff recommends that most consultants be paid on the same basis as Commissioners (limited travel expenses plus \$20 a day for attending meetings). Whether consultants will be willing to serve on this basis is unknown at this time. If we can save anything on printing expense during 1974-75 and 1975-76, we will transfer it to consultant services.

Equipment

The budgeted amounts for equipment are fixed by a four-year purchase contract we have made to purchase a Mag Card II typewriter. This typewriter is an essential element in our plan to significantly reduce our printing expenditures. We plan no other expenditures for equipment.

Staff Recommendation

The staff recommends Commission approval of the proposed budget attached. We believe the funds allocated by the Department of Finance will provide sufficient funds to permit the Commission to operate during 1975-76 without any substantial adverse effect on the existing program.

Please review the first portion of the budget--entitled "Program Objectives and Description"--and give your suggested editorial changes to the staff. We have an opportunity to revise this material since the amount of material of this nature is to be substantially reduced in the next budget.

Respectfully submitted,

John H. DeMouilly
Executive Secretary

CALIFORNIA LAW REVISION COMMISSION

Program Objectives and Description

The primary objective of the California Law Revision Commission is to study the statutory and decisional law of this state to discover defects and anachronisms and to recommend legislation to effect needed reforms.

The commission consists of a Member of the Senate appointed by the Committee on Rules, a Member of the Assembly appointed by the Speaker, and seven additional members appointed by the Governor with the advice and consent of the Senate. The Legislative Counsel is an ex officio nonvoting member of the commission.

The commission assists the Legislature in keeping the law up to date by intensively studying complex and controversial subjects, identifying major policy questions for legislative attention, gathering the views of interested persons and organizations, and drafting recommended legislation for legislative consideration. The efforts of the commission permit the Legislature to devote its time to determining significant policy questions rather than having to be concerned with the technical problems in preparing background studies, working out intricate legal problems, and drafting needed legislation. The output of the commission thus permits the Legislature to accomplish needed reforms that the Legislature might otherwise not be able to effect because of the heavy demands on legislative time. In some cases, the commission's study results in a determination that no legislation on a particular topic is needed, thus relieving the Legislature of the burden of devoting its time to the study of such topic.

At the 1973-74 session, three resolutions and 14 bills were introduced upon recommendation of the commission. All of the resolutions were adopted; nine of the bills were enacted, two in 1973 and seven in 1974. The seven bills enacted in 1974 (which added, amended, or repealed approximately 1,100 sections) dealt with a wide variety of subjects including creditors' remedies, landlord-tenant relations, privileged information, special improvement acts, and rights of nonresident aliens.

The commission, during 1974, published approximately 1,000 printed pages of tentative recommendations relating to condemnation law and procedure and plans to submit a series of bills on this subject for enactment by the 1975-76 legislative session. Other major topics now under active study by the commission include nonprofit corporations, enforcement of judgments, partition of property, and child custody and adoption.

The commission may study only topics that the Legislature by concurrent resolution authorizes it to study. The commission now has an agenda of 17 topics and will request that the 1975 Legislature authorize it to remove one of these topics from its agenda, legislation relating to this topic having been enacted upon recommendation of the commission.

Authority

Section 10330 of the Government Code.

BUDGET SUMMARY

	<u>Actual 1973-74</u>	<u>Estimated 1974-75</u>	<u>Proposed 1975-76</u>
PERSONAL SERVICES			
Total, Authorized Positions	133,047	153,843	157,419
Estimated Salary Savings	<u>---</u>	<u>(13,735)</u>	<u>(15,321)</u>
Net Totals, Salaries & Wages (see attached sheet for details)	133,047	140,108	142,098
Staff Benefits	<u>15,377</u>	<u>15,098</u>	<u>15,411</u>
Totals, Personal Services	148,424	155,206	157,509
 OPERATING EXPENSES			
General Expense	8,719	10,260	11,390
Printing	14,660	21,700	26,220
Communications	3,893	4,180	4,195
Traveling--in-state	6,519	7,500	7,500
Traveling--out-of-state	438	400	600
Consultant & professional services			
Research	7,251	7,500	7,500
Accounting	1,488	2,000	2,000
Facilities operations	5,706	5,700	5,700
Equipment	<u>2,496</u>	<u>3,861</u>	<u>3,070</u>
Totals, Operating Expenses	51,170	63,101	68,175
 TOTAL EXPENDITURES	 199,594	 218,307	 225,684

PERSONAL SERVICES DETAIL

	<u>Actual 1973-74</u>	<u>Estimated 1974-75</u>	<u>Proposed 1975-76</u>
SALARY AND WAGES			
Commission Members	\$20 per day	3,500	3,500
Executive Secretary	2,611	31,332	31,332
Assistant Executive Secretary	2,191-2,663	23,826	27,172
Staff Counsel I	1,717-2,087	14,080	20,948
Legal Counsel--Range B	1,412-1,557	24,721	2,824
Legal Counsel--Range A	1,218-1,344	---	9,744
Graduate Legal Assistant	1,106-1,218	---	4,424
Administrative Assistant	1,079-1,311	15,732	15,732
Clerk-Typist II, Range C	619-753	7,752	7,940
Clerk-Typist II, Range A	562-683	8,879	8,196
Temporary Help	<u>12,418</u>	<u>10,286</u>	<u>10,286</u>
NET TOTALS	133,047	140,108	142,098
STAFF BENEFITS			
Employees' Retirement	9,744	9,638	9,791
Social Security	4,413	4,104	4,255
Health Benefits	1,220	1,256	1,265
Workmen's Compensation	<u>---</u>	<u>100</u>	<u>100</u>
TOTALS	15,377	15,098	15,411
TOTALS, PERSONAL SERVICES	148,424	155,206	157,509

Workload Adjustments:

(1) Senior Legal Stenographer position will be permanently downgraded to Clerk-Typist II (Range C) level effective 9/1/74.

(2) Staff Counsel II position will be temporarily downgraded to Legal Counsel (Range B) level during 1974-75 and to Staff Counsel I level in 1975-76.

EXHIBIT I

405-846/847

PRINTING CHARGES SINCE JUNE 1973

Billing date	Job # & Year	Amount encumbered	Actual charges	Work done
6/73	80425 (69-70)	\$12,000.00	\$12,475.77	Cross-Complaints (comp., printing & binding) Earnings Protection Law (comp., print & bind) various older pamphlets
9/73	82018 (70-71)	8,000.00	8,887.91	Wage Garnishment (comp., print & bind) Civil Arrest (comp., print & bind) Appendix to Em. Dom. Law T.R. (comp.) Volume 10 (overrun material—comp.) [excess from 80425]
10/73	84848 (72-73)	1,800.00	1,709.99	Prej. Attachment T.R. (print & bind) Improvement Acts (print & bind) Slater State Judgments (print & bind) State Condemnation Authority (print & bind)
4/74	85744 (73-74) 85766 (73-74) 85767 (73-74)	600.00 500.00 600.00	594.51 472.12 574.42	Claims & Delivery (comp., print & bind) Unclaimed Property (comp., print & bind) Prejudgment Attachment T.R. (comp.) Nonresident Aliens (comp.) Erroneously Ordered Disclosure (comp.) Evid. Code § 999 (comp.) Eminent Domain Law T.R. (comp.) State Condemnation Authority (comp.) Improvement Acts (comp.) Special District Statutes (comp.) Prejudgment Attachment Rec. (comp.) Slater State Money Judgments (comp.) Liquidated Damages (comp.) Landlord-Tenant Relations (comp.) [excess from 82018]
5/74	83451 (71-72)	19,500.00	28,865.76	

<u>Billing date</u>	<u>Job # & Year</u>	<u>Amount encumbered</u>	<u>Actual charges</u>	<u>Work done</u>
5/74	84845 (72-73)	\$2,000.00	\$3,465.32	1973 Annual Report (comp., print & bind)
	85823 (73-74)	1,200.00	1,507.03	Prejudgment Attachment Dec. (print & bind)
	85911 (73-74)	500.00	987.30	Liquidated Damages (print & bind)
	85995 (73-74)	500.00	544.69	Landlord-Tenant (print & bind)
6/74	85450 (73-74)	500.00	369.07	Nonresident Aliens (print & bind)
	86042 (73-74)	2,000.00	2,979.91	Eminent Domain Law T.R. (print & bind)
	86188 (73-74)	2,000.00	2,277.22	Special District Stats. (print & bind)
ENCUMBRANCES NOT YET FINALLY BILLED				
	84846 (72-73)	\$2,500.00	\$241.35	Volume 11 (comp., print & bind)
	84847 (72-73)	14,700.00	9,526.40	[mainly excess charges from 83451]

TOTAL BILLED SINCE JUNE 1973 (on encumbrances dating to 1969-70 fiscal year): over \$55,300.00