



DIGEST

Around and About

THE CIVIL service commission has set a promotional examination for Wednesday afternoon, July 23, to select a new director of building services, following retirement of Robert Hardon.

Three candidates had filed as the deadline passed last Wednesday (June 25). They are assistant director William Prater, executive assistant Le Roy Milton, and head custodian foreman George Robinson.

JOHN LEACH, who had watched the awarding of hundreds of County scrolls to noteworthy citizens during his eleven years as assistant CAO, was on the receiving end himself June 17. The Board of Supervisors paid tribute to his 34 years of service to the County, which began as a student trainee in 1935. Leach, 56, who retired after undergoing heart surgery earlier this year, was known as the "father" of the Lakewood plan for providing County services to cities under

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EVERY JOB TO BE STUDIED

THE PERSONNEL department soon will begin a massive classification study of all 60,000 County jobs, the first such survey in 30 years. Funds to hire five analysts to undertake the study are included in the 1969-70 budget the Board of Supervisors adopted today, June 30. (See adjoining story.)

"We know that our classification system has got out of joint," Gordon Nesvig, director of personnel, said. "When the last County-wide survey was made in 1939, we had a little over 15,000 positions in 1,057 classes. Today we have almost four times as many employees in 2,200 classes. It is inevitable that inequities and inconsistencies have crept in."

Nesvig said that since the 1939 survey most reclassification studies have been made only on a spot basis, after receiving a request from a County department.

"As a result," he said, "some jobs in the County have never been studied since 1939. And if a job is a kind that the County did not have in 1939, it never has been studied in relation to all other jobs in the County."

Nesvig said the idea of the broad classification study has been endorsed by the civil service commission and the Citizens Economy and Efficiency committee. He estimated the study will require up to three years to complete.

"Our objective," Nesvig said, "will be to take a fresh look at every County position. Each job will be evaluated as to the skills and training it requires, its responsibility, its difficulty — all pertinent factors like this in comparison with jobs in

every part of County service. The goal is to create a system that is fair to everyone, so that jobs are rated neither too low nor unfairly high."

Nesvig continued:

"At present there really is no

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Budget Cut & OK'd

THE BOARD of Supervisors, on the final day before the new fiscal year began July 1, adopted a \$1.7 billion 1969-70 budget somewhat changed from the one proposed by CAO Lin Hollinger April 29 (see May 2 DIGEST).

Last-minute revisions Monday included a cut of travel funds from \$200,000 to \$100,000 for the year.

The Board also directed Hollinger to delete \$1.5 million (about 200 jobs) from the salary budget for new positions. The cut would not apply to the big-hiring departments of hospital's, sheriff, welfare and courts. These departments accounted for most of the 7,815 new positions included in the CAO's April 29 budget.

The Board on June 24 added 99 more positions — 42 in health for tuberculosis control, 27 parks patrolmen, 15 in probation to work with volunteers, seven in human relations, six to permit Sunday service in eight regional libraries, and two more guards at the Museum of Natural History.

The Supervisors instructed Hollinger to decide where the \$1.5 million cut in new positions should be made.

LIKE TOPSY, FUND JES' GROWS

Around and About

Continued from page 1

a contract system, and he was a member of the negotiating team that brought the Dodgers baseball club to Los Angeles. John was perhaps best known, however, as being the hardest worker (or the poorest sleeper) on the County staff. He customarily arrived at his deserted office about 6 a.m., worked until the cafeteria opened at 7 a.m., had breakfast, and returned to his desk, leaving for home around 6 p.m.— unless he had an evening meeting.

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THE NEW department of beaches says it has a \$735-\$914 a month job going begging out at its Redondo Beach headquarters. The sought-after Staff Assistant will have responsibility for the department's housekeeping and business management functions. To qualify a person must have two years' related experience in a staff, procurement or highly responsible supervisory clerical capacity. Contact man is Frank Stevenson, phone 374-4022.

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THE ENGINEER'S Newsletter reports that excavators for the new Criminal Courts building have found a fish, although not a very lively one, some twelve feet below street level. Paleontologists D. E. Fortsch and Shelton Applegate of the Museum of Natural History estimated that the six-inch lantern fish, now a fossil, was swimming around in the Miocene era about 17 million years ago when an ocean 1,000 feet deep covered Civic Center.

ONE OF the fastest growing financial "houses" in these parts — the Los Angeles County Employees Retirement association — reports it has passed the three-quarter-billion-dollars mark in total assets.

The story of growth is laid out in the association's annual report, a yellow covered booklet distributed among all County employees last week.

The report shows that the association assets, earmarked for paying future retirement allowances to County employees, grew 12 percent during 1968 to reach \$753.9 million.

All the assets are shown as money makers.

Bonds biggest

By far the greatest association investment lies in bonds (which is understandable since it was only in the mid-1950s that the association got the legal right to invest in anything else).

Assets in bonds totaled \$512 million as of last Dec. 31 — mostly in utilities, banks, rails and other U. S. industries.

The association collected \$21.8 million in bond interest during the year.

County buildings

Second largest investment is in building projects (Hall of Administration; Mall garage; central heating-refrigeration plant; district courts in Norwalk, Pomona, Van Nuys, Pasadena and Torrance; the new Health and Criminal Courts buildings; and others) which were built or are being built with association funds and leased back to the County until the buildings are paid for, with interest. These assets total \$117.1 million. Rents collected from the County last year came to \$6.2 million.

Mortgages

The association has \$66.9 million invested in mortgages on homes

in Southern California and \$11 million in a mortgage on the City National Bank building in Los Angeles. These mortgages yielded \$3.9 million income to the association during the year.

Stocks

When a new state law granted permission in late 1967 to invest retirement funds in stocks, the association began acquiring common and preferred stocks in 60 top U. S. companies. By the end of 1968 these holdings had reached \$36.3 million, bringing in dividends of \$776,748 during the year.

Income — summary

Income from these four sources — bonds, rents, mortgages and stocks — totaled \$32.5 million. The association placed this in its reserve funds.

Reserves

The association report shows \$323.6 million in a Retired Members reserve. This money is earmarked for the monthly allowances sent to former County employees now on the retired list.

Two other accounts, the Members Deposit reserve (\$224 million) and the County Advance reserve (\$144.3 million), are intended for present County employees who will retire in the future.

Treasurer-tax collector Harold Ostly, retirement board chairman, said the goal is to keep just enough in the reserves to meet future retirement obligations.

"If the County were to close up shop right now," Ostly said, "we would want to have enough money in reserve so that when the last retired County employee or survivor died, we would have paid out the last dime. We hire skilled actuaries to tell us how much to keep in the reserves so that we would be able to do this if we had to."

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Contributions

Contributions from employees and employers (the County and special districts) swelled association coffers by \$78.7 million during the year.

Most of this, some \$54.7 million, was the employer contribution. Retirement deductions from employees' paychecks totaled \$32 million, but 7,600 staffers who left County service during 1968 withdrew \$8 million in retirement contributions, leaving a net of \$24 million from employees.

Allowance paid

At year's end 9,868 former

County employees or survivors were drawing retirement allowances. Of these 899 had retired during 1968. Their checks totaled \$29.2 million.

Another 199 workers left the County but will be eligible later to receive a "deferred" retirement allowance.

Investment history

When the retirement association began investing its funds in 1938, it was permitted to place money only in bonds. In the 1950s County real estate projects were added to the list. In 1965 the association got the right to lend funds on home mortgages. The final liberalization in 1967 permitted acquiring stocks.

Chief Houts' Story: Up from the Corral

WHEN 18-year-old Richard Houts went to work as a County fireman in 1942, his job was cleaning out the corrals where the department kept its pack horses.

Tomorrow (July 1) he will take over as chief of the nation's largest county fire department with a force of 2,500 men and a protection area of 2,000 square miles including 32 cities.

Houts finished first in the civil service examination to choose a successor to veteran chief Keith Klinger who stepped down April 8 because, he said, "of a little heart problem."

Between the horse corral and the chief's chair, Houts served successively as inspector (1948), captain (1952), battalion chief (1958), assistant chief of construction and maintenance (1965) and services division chief (1967). He became acting chief last April 8.

Houts, who lives with his wife Audrey in West Covina, said he takes his mind off firefighting by playing the organ, golfing in the 80s, bird hunting and swimming.

Where the Money Comes From

The County retirement fund received last year from employees' paycheck deductions a net total of	\$24 million
The County (and special districts) contributed a total to the fund of	\$54.7 million

How It's Invested

Most of the retirement funds are invested in government and industrial bonds	\$512 million
Investments in County buildings, which are repaid with interest, total	\$117.1 million
Mortgage investments, mostly in home loans, are	\$77.8 million
Stock buildings in 60 major firms equal	\$36.3 million
The combined total of these four kinds of investments is	\$743.2 million
In addition the retirement fund reports cash and "bookkeeping" assets of another \$10 million.	

JOB STUDY

Continued from page 1

carefully thought out system of relationships among County jobs. Some have been left behind in the parade. Others have floated upward into a status that really is not justified by what the job requires and what is produced."

Nesvig said he believes the study, when completed, will prove helpful in employee relations.

"Arguments often develop now," he explained, "over the status of jobs and salaries because nobody actually knows how the jobs under discussion compare with other jobs in the County. We expect that a full and careful evaluation study will dispel much of this ignorance. The study should provide a basis for more intelligent and better informed negotiations between County management and employee representatives."

LACEA, Local 434 Allied

IN A dramatic realignment of forces among County employee organizations, spokesmen for County Employees Union Local 434 (AFL-CIO) and Los Angeles County Employees association have announced an alliance to form representation units under the County employee relations ordinance.

The announcement before the employee relations commission (ERCOM) last Thursday (June 26) drew immediate criticism from AFSCME, another AFL-CIO affiliate.

Local 434 called the new arrangement "an affiliation agreement." LACEA termed it "a plan of mutual cooperation." AFSCME attorney Loren Rothschild called it "a hybrid" "illegal" "unfair." County management made no comment.

First fruits of the new alliance were a Local 434-LACEA agreement last Thursday involving some 8,900 hospital and custodial employees. Earlier this year Local 434 had filed a petition (No. 8) with ERCOM seeking to become the negotiating representative for these employees. LACEA had filed a competing petition as an intervenor.

Last Thursday the new allies offered this proposal to ERCOM:

1) That an election be held among a unit of 2,060 "institutional support services" employees in County hospitals (laundry workers, bakers, cooks, food service workers, lab attendants, others), that Local 434 would appear alone on the ballot and LACEA would withdraw as a competitor;

2) That the same arrangement be made for an election among another unit of 4,578 "para-medical, technical" employees (vocational nurses, medical technicians, ward attendants, ambulance workers, others);

3) That a third election be held among 2,272 custodians, housekeepers, elevator operators, window washers and others, and the only

name on the ballot would be that of a joint council listed as "Local 434, Los Angeles County Employees Union, AFL-CIO, and Los Angeles County Employees Association Building Services Employees Union, Local 601, Service Employees International Union, AFL-CIO, Joint Council."

AFSCME attorney Rothschild denounced this proposal, worked out by the boards of directors of LACEA and Local 434, as a violation of the employee members' right of free choice under both the employee relations ordinance and the state Meyers-Miliias-Brown act.

The commission voted two to one to accept the Local 434-LACEA proposal for LACEA withdrawal from two elections and participation with Local 434 jointly in the third election. Commissioner Melvin Lennard dissented, saying he wanted more time to study AFSCME's objections.

AFSCME then demanded the right to appear as a competitor on all three proposed ballots, even though it has not qualified to intervene by filing show-of-interest cards from 10 percent of the members of the proposed units.

The commission set 1:30 p.m. Wednesday (July 2) for a hearing on the AFSCME demand.

Local 434 in its announcement last Thursday said the affiliation agreement provides that the Service Employees International Union (SEIU) "will charter new local unions to represent as many members of LACEA as desire to affiliate with it." Presumably the first such local would be Local 601 which LACEA would enter as part of the joint council on the custodians' ballot.

In its announcement last Thursday, LACEA took pains to say it was not "merging" with Local 434 and that it expects to continue most of its present operations independently.

Firemen Voting for Negotiating Rep

NEARLY 1,700 mail-in ballots will be on their way to County firemen tomorrow (July 1) in an employee relations commission election that appears to offer no contest.

Only the name of Los Angeles County Fire Fighters association, local 1014 (AFL-CIO) will appear on the ballot, along with "Yes" and "No" spaces, so that the firemen can indicate whether they want local 1014 to represent them in negotiating pay and working conditions with County management.

It actually is a double election — for a unit composed of 425 supervisors in the department and another unit of some 1,250 nonsupervisory firemen. Each unit will negotiate separately.

Deadline for returning the mail ballots is 5 p.m. July 28. They will be counted the next day.

ERCOM executive secretary Leslie Rothenberg said the month-long balloting is being permitted so that firemen on vacation will have a chance to vote.

Two other unions that won recent elections have been certified as negotiating representatives — AFSCME to represent approximately 1,900 deputy probation officers and 169 superior court clerks and County Employees Union Local 434 to negotiate for a unit of 57 pharmacists.

County of Los Angeles

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LORIN PETERSON, Editor
Editorial Office: Room 526 Hall of Administration, 222 North Grand Avenue, Los Angeles 90012
Telephone 625-3611, ext. 65878
For extra copies, extension 65420